



March 2000

This article may be reproduced in its entirety with attribution to the Center for Governmental Studies, Northern Illinois University, DeKalb, Illinois.

The mission of the Center for Governmental Studies includes education of the public on important public policy issues. This article is one in a series of policy briefs designed to provide an objective view of an issue.

policyprofiles

Center for Governmental Studies

Northern Illinois University

Issue: *The 2000 Census: It Can Be As Good As a Tax Cut*

More government forms — red tape — bureaucracy. More government control over my life!

Such is a common reaction to the federal government's effort to gather a census of all persons residing in the United States. Coming at about the same time as the government's April 15 income tax deadline, the census is easily seen by many people as another government intrusion into their lives, another invasion of their privacy, and perhaps even a threat to their lifestyle in the United States.

Why do we need a census?

But there is another side to the U.S. Census. Information gathered from the 2000 census will become the basis upon which many government decisions will be made in the next decade. It is census data that determines how much representation people will have in congress, in their state legislature, and in their county, city, and school district governments. It is census data that is used to identify the number of poor people — where they live and what their needs are. It is census data that is used to help employers find people with the job skills they need to operate their businesses.

And, from the taxpayers' point of view, it is census data that is used to help determine how many of their tax dollars will be returned to their community in the form of government programs and even cash to help pay for health care, education, police and fire protection, roads, parks, libraries, and welfare. *In Illinois, for example, each additional person counted in the*

*2000 census will generate more than \$1,000 in cash for that person's city or county government over the next decade. That's more than \$1,000 per person that Illinois communities do not have to raise through local taxes. In short, a full and accurate census count can be **as good as a tax cut** for local taxpayers!*

How does an accurate census count bring more dollars to each county and city?

Each year, the State of Illinois distributes a portion of its revenues to the state's cities, villages, and counties. The amount of money each city, village, and county receives is based on its population as determined by the U.S. Census. In 1998, the last year for which figures are available, the State of Illinois gave each of its municipalities over \$100 per resident — and that figure has been growing larger each year.

policyprofiles

The money shared by the state comes from four state taxes: the state income tax, the photo processing tax, the local use tax, and the tax on the sale of the gasoline used in cars, trucks, and boats (legally called the motor fuel tax or MFT). For each of their residents counted in the 1990 census, Illinois municipalities received the following amount of money in 1998: state income tax - \$67.65; photo processing tax - \$1.90; local use tax - \$9.72; and gas tax - \$23.57. This totaled \$102.84 per person, or more than \$1 million for a community of 10,000 persons!

Money lost when people are not counted adds up over time. Unless a local government chooses to contract with the Census Bureau for a special census, the enumerated population for Census 2000 will remain in effect until the next decennial census in 2010. Even if only the distribution of state funds is considered, a population undercount will have a serious financial impact on a community. For example, a municipality with a population of 25,000 that suffers a 5% undercount would lose \$128,550 per year in distributed state funds based on 1998 tax allocation levels. In the absence of a special census, the revenue loss over a 10 year period would amount to \$1,285,500.

And this is not all. Census data is also used to determine how much money each state will get from the more than \$185 billion that the federal government sends back to the states each year. Many of these funds are used to benefit local governments. Further, some local governments receive direct federal funding based, in part, on the census count. For example, population is considered in the distribution of funds to those communities that are eligible for the Community Development Block Grant (CDGB) program.

How is representation affected if the census does not count everyone?

The effect of the census on political power is even more important than it is on the distribution of money. When people are not counted, their city and county lose representation in both the congress and the state legislature. Perhaps most seriously, when members of minority groups, such as African Americans, Hispanics, and Native Americans are not all counted, the result is that the neighborhoods where such minority groups live are **under represented** in their city councils and county boards.

These results occur because the census count is used to determine how seats are allocated in the U.S. House of Representatives, state legislatures, and local governing bodies. The federal government is required by the U.S. Constitution (Article 2, Section 1) to make a census count and redistrict these seats every 10 years.

At the federal level, the census count determines the number of representatives each state will have in congress. Membership in the House of Representatives is fixed at 435. One seat in the house is automatically given to each state. The remaining 385 seats are then distributed on the basis of population. The number of house seats a state is given, in turn, affects that state's political power in Washington, D.C. After the 2000 census, for example, representation in the house is expected to shift from states like Illinois that experience either moderate growth or a loss in population to strong growth states like California, Florida, and Texas. Current projections indicate that California will gain four seats and that Illinois will either remain the same or lose one seat after Census 2000.

Why are inaccurate census counts harmful to minorities?

The failure to count all minority persons will result in less political influence for minority voters and fewer minority members elected to public office. A greater effort in 1990 to count African-American voters, especially in southern and border states, increased the number of African-Americans elected to the U.S. House of Representatives. The same is true for state legislative representation as well. It is at the local level, however, where the greatest prospect exists for increasing the number of African-Americans, Hispanics, and Native

3

policyprofiles

Americans elected to public office, but *that prospect can be realized only if all minority persons are counted in the census.*

To maximize minority representation, the census count must include, not only all voters, but all minority persons, even those who are not U.S. citizens or residents but who happen to be in the U.S. at the time the census is taken. Similarly, every ethnic group, even those of European extraction, can increase their political power and representation by assuring a full and accurate census count of their members.

The 2000 census will help racial groups be counted more accurately by permitting individuals to indicate that their heritage includes more than one race.

How does the census affect electoral districts?

Two actions will follow the population counts in the first year after Census 2000. The first action is apportionment – assigning to each state the number of representatives it will have in the House of Representatives. The population totals must be given to the President by December 31, 2000. Within one week of the opening of the next session of Congress, the President must provide the population count and the number of seats for each state to the Clerk of the House of Representatives, who must then inform state governors within 15 days. While only

state population totals are used in congressional apportionment, total population and voting age population by race are provided down to the census block level.

The second action is redistricting - geographically defining election areas for congressional seats, state legislative districts, and the wards and districts for those local governing boards and councils in which members are not all elected at large. After the states are assigned their total number of congressional seats, each must then redraw the geographic boundaries for each of its congressional seats and for each of the seats in its state legislature. In Illinois (the state with most units of local government), the same process must also be used to redraw election districts in the state's 85 township counties, in most cities, and even in some villages and school districts.

Under the "one man, one vote" rule established by the U.S. Supreme Court in 1962, there must be substantial equality of population across these districts. As now defined by the courts, this means that: (1) the difference in size between the largest and smallest district for any legislative body must be less than five per cent; (2) districts must be geographically compact and contiguous, and (3) there must be no dilution of minority voting strength caused by the boundary lines.

The redistricting process must be completed by June, 2001. Unless challenged in court, the new districts will not change again until the process is repeated in 2010.

What other uses are made of the census data?

Census data has many other uses, especially at the local level. The census data about the community's people and economy is used by business leaders to help decide where to build new factories and shopping centers. In this way, census data affects the number of jobs in communities.

Census data provides government and businesses leaders with a critical, once-a-decade benchmark for making the estimates, projections, and forecasts that are used in making policy decisions, such as the number of new schools that will be needed, and designing local services, such as the kinds of park and recreation programs that should be offered. With the help of census data, local officials are better able to determine what kinds of businesses are needed to serve residents and to employ those looking for jobs. Such data helps them decide how best to attract needed new businesses to the community.

What are census tracts and how are they used?

The 2000 census will include detailed data at the census tract level. Census tracts are districts drawn within a community for purposes of gathering census data. Each census tract must be a continuous area containing a minimum population of 1,000 and a maximum population of 8,000. The boundaries of census tracts usually follow identifiable geographic features such as roads, streams, and railroads.

Generally, census tract boundaries in established parts of the community remain constant over time. As a result, accurate census data helps track internal change in the community.

Communities can use census tract population data to monitor changes in who lives in the community. This, in turn, is useful in identifying trends within neighborhoods. Some communities use various combinations of census tract data to analyze “neighborhood stress”. This helps local officials design programs to prevent neighborhood decline and maintain a healthy local economy.

Will the census affect local government powers?

Illinois uses population size to define the powers of local governments. So, changes in population size identified by the census may change the powers of some local governments. For example, in Illinois, cities and villages with a population of 25,000 or more become “home rule” units of local government automatically. Those which fall below 25,000 must hold a referendum to see if the voters want to retain home rule. Since home rule cities and villages have broader local authority, more taxing powers, and exemption from many state requirements, such as property tax caps, the accuracy of the census data might have a major impact on the operations of those cities and villages near the 25,000 population mark.

Even non-home rule governments may experience changes if the census moves their population above or below other statutory thresholds which define local government structure or authority on the basis of population size. For instance, Illinois law uses population to determine the size of each city’s legislative body.

How can local governments assist the Census Bureau in complete-count efforts?

Given the importance and use of accurate census data, and particularly the relationship of the census to full political representation for both the community and its ethnic and neighborhood groups, a concerted effort to encourage all citizens to complete and return census forms is certainly worth consideration.

Local governments can participate in Census 2000 by updating boundaries, by encouraging their citizens to participate, and by reviewing census counts and pinpointing where undercounts seem likely to have occurred. The Census Bureau provides pre-formatted copy for various media outlets that can be “borrowed” from the Census 2000 website so that flyers, newspaper articles, and radio and TV broadcasts can get the word out to local residents. Some communities

policyprofiles

find other activities effective, such as sending a census reminder with water bills. Informational materials are available for schools so that students can remind their parents to fill out the Census 2000 questionnaire.

With luck, a community with an accurate census count might even experience a financial impact which is as good as a tax cut!

APPENDIX

Making Use of the Census County

How will local governments get the data they need?

Following the distribution of basic redistricting data, information from Census 2000 will be available in several ways to local governments. There will be two forms used in Census 2000: a long form based on a 20% sample of all households and a short form for all other households. Summary data from the census short form will be the first set of data available, and it will be aggregated into table formats corresponding to census geographies from counties down to census blocks. Some summary data will be available in print form; all summary data will be available from State Data Centers. Selected tables will be made available

directly to cities and counties. In addition, the summary data will appear in the American Fact Finder on the Internet. The current plan is to have the summary data available in 2002.

Long form summaries will contain all of the socioeconomic data necessary for more detailed program support, planning, and economic development/business analysis. Long form data will be provided in the same formats as short form data and will be available sometime between 2002 and 2004.

What is American Fact Finder?

American Fact Finder is the Census Bureau's Internet-based data dissemination program. It came on-line in March, 1999, and provides users with the capability to browse, search, retrieve, view, map, print, save, and download data from Census Bureau products. Currently, accessible data include the 1990 Census of Population and Housing summary tables and micro data, the American Community Survey data, the 1997 Economic Census data, and the Census 2000 Dress Rehearsal data. The American Fact Finder may be accessed at the Census Bureau website (www.census.gov - click on American Fact Finder). Data sets may be accessed on-line or extracted for use with various software programs.

How will the State Data Centers be able to help?

Since the 1980 Census, each state has had a group of State Data Center offices which receive all census data for redistribution to the public. In Illinois, there are six Data Center Coordinating Agencies and a number of affiliates, as well as the Business and Industry Data Center network. For a list of participating agencies, visit the website at www.niu.edu/bidc - click on "contacts". State Data Centers can provide professional assistance in retrieving, using, and analyzing results from Census 2000 as well as 1980 and 1990 census results.

Will the Census 2000 questionnaire be the same as in 1990?

Changes have been made in 2000 to the list of census questions based on changing patterns in American society and on the changing needs of organizations for information about the American public. The most dramatic change for Census 2000 will be the ability of individuals to indicate more than one race. Tabulations will be provided for up to 63 racial cross categorizations. Another change is the addition of a question regarding grandparents who have major responsibility for their grandchildren.

Changes that could have an impact on local governments include questions that have been moved from the short form to the long form regarding housing value and rent, number of dwelling units in structure, and number of rooms. As a result of this change, these data items will no longer be available down to the block level. Also, questions regarding water source, sewage disposal, condominium status, year last worked, and number of children ever born have been removed from census forms because they are no longer required or mandated for any federal program.

policyprofiles

Policy Profiles is a publication of the Center for Governmental Studies, Northern Illinois University and may be reproduced in its entirety with attribution to the Center for Governmental Studies, Northern Illinois University, DeKalb, Illinois.

Editor: James M. Banovetz
Contributors: Roger Dahlstrom
 Brian Harger
 Ruth Anne Tobias

For more information contact:
 Center for Governmental Studies
 815-753-1907
 fax 815-753-2305
www.niu.edu/cgs