

AN ACCURATE COUNT IN THE 2020 CENSUS IS VITAL FOR FLORIDA

*BILLIONS OF DOLLARS
ARE AT STAKE*

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It is 2020, so it is time for the next United States Census, as required by the Constitution. The first census was in 1790--George Washington was President and Thomas Jefferson served as supervisor of the census. The main reason for the decennial census, conducted every 10 years, is to apportion representation in Congress.

But the value of the census extends far beyond that. It also helps determine the distribution of hundreds of billions of dollars in annual federal program funding to the states. It is also used for planning and decision-making throughout the public and private sectors.

Florida is now the third largest state in the nation with 21.5 million people and one of the fastest growing—adding 640 people a day. Florida has a history of being undercounted in the census and an undercount in this census will negatively impact the state for another ten years.

WHY IS THE CENSUS IMPORTANT?

APPORTIONMENT – Census totals are used to determine how to apportion the 435 congressional seats among the states. This determines how many seats a state will have in the U.S. House of Representatives. States also use local population data to allocate seats in their legislatures. It is expected the new census will give Florida two additional congressional seats—increasing our representation from 27 to 29 seats. A third new seat is even possible. It is estimated that Florida is 172,169 people away from a third seat.¹ When you consider that Florida had the fourth largest undercount (200,670 persons) during the 2000 Census, the importance of an accurate count is clear.

REDISTRICTING – State and local officials also use decennial census results to help redraw congressional, state, and local district boundaries. The idea is to have each district contain roughly equal numbers of people to help meet the one-person, one-vote rule to help ensure the power of each vote is closely equivalent.

¹ Election Data Services, quoted by the News Service of Florida, "How high will Florida's population go?" January 2, 2020.

FEDERAL FUNDING – A recent report² by George Washington University identified 316 federal government programs that use census data—in whole or in part—to distribute \$1.5 trillion to state and local governments, businesses, nonprofits, and households across the nation. This amount is 7.8 percent of total Gross Domestic Product (2017). The data is used to determine eligibility and to allocate funds and services to geographic areas.

These programs touch all facets of everyday life, including: education, health, transportation, water and waste infrastructure, assistance to low income families, elderly and disabled persons, affordable housing, economic development, job training, the arts, and the environment. While the report notes that census-guided federal spending programs vary substantially in many ways, including the extent they rely on census data, **“the common element across these programs is that a state or area’s receipt of its fair share of federal funds depends on the accuracy of its census count.”**

This includes public assistance and grant programs and the bulk of money goes to large programs such as Medicare and Medicaid. Census data is also used to determine state matching and payment requirements and eligibility for tax credits. There is even a \$7.5 billion federal procurement program that awards federal contracts to small businesses located in areas selected using census data.

The data from the 2020 Census will be used to allocate this funding for the next 10 years. This makes the upcoming 2020 Census vital to the quality of life in your community and all of Florida.

ECONOMIC DEVELOPMENT – Census results provide businesses with valuable data on the communities they serve, including population trends and growth projections. This data is used to de-

cide where to build factories and offices, where to open stores and restaurants, where to expand operations, where to recruit employees, and which products and services to offer. Developers use the census to locate new homes and determine where best to revitalize old neighborhoods. Good decisions based on good data will create jobs and long-term economic growth.

EMERGENCY RESPONSE – Detailed population information is critical in the wake of disasters. First responders and disaster recovery personnel can use census data to identify where and how much help is needed. Demographic details help epidemiologists and public health personnel in predicting and tracking disease outbreaks and assist with other health issues, such as combating the opioid epidemic and identifying health care access needs.

Public Policy - Governments use census data to determine the need for new roads, hospitals, schools, and other public sector investments. Public policy research also benefits. Florida TaxWatch and countless others use census data in their work. High quality data is vital for high quality research and recommendations.

AN UNDERCOUNT IN FLORIDA WOULD HAVE FAR-REACHING IMPLICATIONS

When Florida does not get its fair share of federal assistance, our money goes to subsidize programs in other states. That is exactly what has been happening in Florida for many, many years. Florida TaxWatch has produced several reports showing that Florida receives far less than its fair share of federal money relative to other states, consistently ranking near the bottom in terms of per capita grants and grants as a percentage of federal taxes paid.

² Andrew Reamer, George Washington Institute of Public Policy, George Washington University, “Counting for Dollars 2020: The Role of the Decennial Census in the Geographic Distribution of Federal Funds,” November 2019.

The latest Florida TaxWatch grant report³ shows that in FY 2015, Florida received less grants per capita than every other state in the nation and concludes “It would be hard to argue that Florida’s share is anywhere close to equitable.” If Florida received the national average in per capita federal grants, our state would get \$14.6 billion more of our tax money back. There are many factors that impact the amount of federal assistance a state receives, but decennial census undercounts, and not updating them annually, certainly hurt.

Even with our relatively low amount of federal grants, Uncle Sam plays an important role in helping Florida pay for the government services it provides, with federal funds making up more than one-third of the state budget. The largest expense in Florida’s budget—the nearly \$30 billion Medicaid program—is impacted by census data. These federal funds are allocated based on the Federal Medical Assistance Percentage (FMAP), which determine the size of a state’s match, and is based on per capita income. It has been estimated that a 1 percent undercount would cost Florida \$178 million in FMAP-based funds.⁴

For years, Florida TaxWatch has pointed out how population can impact Florida’s grants. Not only would a Census undercount immediately cost the state, that cost would increase over the decade. Some programs do not update their formulas with new annual estimates. This obviously hurts fast-growing states, and Florida is projected to be the fourth-fastest growing state from 2020-2030—adding 3.3 million people (15.3 percent).⁵

A FLORIDA UNDERCOUNT HAS HAPPENED BEFORE

The impact of a 2020 undercount will grow throughout the decade. There is precedent for concern—Florida had the fourth largest undercount (200,670 persons) during the 2000 Census.⁶ Even using our low per-capita grant receipts amount of \$1,125—which ranks dead last among the 50 states—these undercounted Floridians cost the state \$226 million a year.

A report by the Urban Institute⁷ provides evidence another Florida undercount will occur in 2020. The report predicts Florida will experience a significant undercount due to its relatively large black and Hispanic populations, two groups that have been historically undercounted. The estimated number of undercounted Floridians ranges from 97,000 (0.44 percent) in the “low-risk” scenario to 322,000 (1.48 percent) in the “high-risk” scenario.

Very young children (age 0-4) are the most likely group to be undercounted. The Census Bureau estimates it missed about 1 million children nationwide in 2010. This was especially pronounced in Florida, where 6.2 percent of young children were missed. Children in need are the beneficiaries of many of the largest federal programs using decennial counts and census-derived data. It is estimated this cost Florida at least \$675 million over the last decade. The Urban Institute says children are at high-risk of being undercounted in 2020 as well.

3 Florida TaxWatch, “Florida is Still a Donor State,” September 2016.

4 Andrew Reamer, George Washington Institute of Public Policy, George Washington University, “Estimating Fiscal Costs of a Census Undercount to States,” March 2018.

5 Weldon Cooper Center for Public Service, Demographics Research Group, “Observed and Total Population for the U.S. and the States, 2010-2040,” May 2016. www.coopercenter.org/demographics

6 Price Waterhouse Coopers, Final Report to Congress: Effect of Census 2000 Undercount on Federal Funding to States and Selected Counties, 2002-2012.

7 Urban Institute, “Assessing Miscounts in the 2020 Census,” June 2019. The “high risk” scenario includes a citizenship question being part of the census. The Supreme Court blocked the inclusion of the citizenship question, but the debate over immigration, and the perception that the question will be asked, is expected to reduce participation.

CONCLUSION

There are many reasons why Florida receives relatively less in federal grants than other states, including the state's spending decisions. Small state minimums can also reduce funding for populous states and hold harmless provisions⁸ can keep states like Florida from catching up.

Florida's historical position as a "donor state" makes it essential that we maximize available federal funding from the money we currently spending. An accurate census count will certainly help. Florida is the third most populous state in the country and continues to be among the fastest growing.

But the census is not simply about headcounts; it is about receiving the federal funding that is owed to Florida based on our population and demographics. Governor Ron DeSantis's recent announcement of the creation of Florida's 2020 Census Statewide Complete Count Committee⁹ will help, but it is getting a late start and there is no designated funding for it.

Meanwhile, most states' committees have already begun working on making sure their federal funding is protected by improving their census accuracy. California, for example, is spending \$187 million on a census campaign.

If Florida is underrepresented by the count, it could cost the state millions, or even billions, of dollars. If not, even more of our federal tax dollars will go to subsidize federal programs in other states.

⁸ "Hold harmless" provisions guarantee that a state or other entity's allotment will not be less than a certain fiscal year level or amount, or a percent of that amount (such as 90 percent of the based year), provided sufficient funding is available in a given year.

⁹ Executive Office of the Governor, news release, "Governor Ron DeSantis Announces Florida's 2020 Census Statewide Complete Count Committee to Coordinate with the U.S. Census Bureau," January 6, 2020.

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