



# How an Incomplete Census Hurts North Carolinians

By Alex Tausanovitch    August 6, 2020

Right now, the U.S. census is under threat. And unless the U.S. Senate’s COVID-19 relief bill contains an extension of the deadline to complete the census, North Carolinians will pay the price—for the next decade.

The census is incredibly important to states such as North Carolina. Each year, census figures help direct enormous amounts of federal funding. An analysis of 55 census-directed programs found that in fiscal year 2016, North Carolina received \$23.8 billion in funding based on census results.<sup>1</sup> That includes:<sup>2</sup>

- \$1 billion for highway planning and construction
- \$2.2 billion for the Supplemental Nutrition Assistance Program (SNAP)
- \$341 million in special education grants
- \$381 million for school lunches
- \$87 million for the Low Income Home Energy Assistance Program
- \$45 million in grants to prevent and treat substance abuse

One important census-based formula is the federal medical assistance percentage (FMAP), which determines how funding is allocated for five major programs that support the health and well-being of children and families: Medicaid, the Children’s Health Insurance Program, the Federal Foster Care Program, the Adoption Assistance Program, and the Child Care and Development Fund. In fiscal year 2015, for each person not counted in the last census, the state of North Carolina lost \$988 in FMAP funds.<sup>3</sup>

Moreover, census data have been used to allocate resources from the Coronavirus Relief Fund (CRF) and will almost certainly be used to allocate future federal funds to combat COVID-19. The state of North Carolina was expected to receive an estimated \$4.08 billion in CRF funds.<sup>4</sup>

All of this money depends on an accurate census. Last April, the U.S. Department of Commerce and the U.S. Census Bureau released a joint statement saying that an extended deadline for data collection was necessary to protect public health and to “[e]nsure a complete and accurate count of all communities.”<sup>5</sup> But recently, the administration reversed its course and announced that it now intends to cut short the collection of census data despite the ongoing coronavirus pandemic.<sup>6</sup>

As of August 4, the response rate of the census stood at only 62.9 percent; the response rate in North Carolina is significantly lower, at 59.1 percent.<sup>7</sup> That means that unless the deadline for the census is extended, North Carolina stands to lose millions of dollars in federal funding every year until the 2030 census is complete.

Unfortunately, this isn't the only negative consequence of an inaccurate census. Census figures determine congressional apportionment—how many seats each state receives in the U.S. House of Representatives. Companies also rely on census data to help locate customers and to guide major business decisions, such as where to invest and create new jobs.<sup>8</sup>

In other words, an incomplete census is bad for democracy, bad for business, and bad for North Carolina. Political leaders should act swiftly to ensure that the Census Bureau has the time it needs—the time the administration previously requested—to conduct a full, fair, and accurate census. Most importantly, that means that the deadlines for delivering apportionment counts and redistricting data should be extended four months to April 30, 2021 and July 30, 2021, respectively; and secondly, that data collection should be allowed to continue until October 31 instead of September 30.

*Alex Tausanovitch is the director of Campaign Finance and Electoral Reform at the Center for American Progress.*

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## Endnotes

- 1 Andrew Reamer, "Counting for Dollars 2020, The Role of the Decennial Census in the Geographic Distribution of Federal Funds: North Carolina" (Washington: George Washington Institute of Public Policy, 2020), available at [https://gwipp.gwu.edu/sites/g/files/zaxdzs2181/f/downloads/IPP-1819-3\\_CountingforDollars\\_NC.pdf](https://gwipp.gwu.edu/sites/g/files/zaxdzs2181/f/downloads/IPP-1819-3_CountingforDollars_NC.pdf).
- 2 Ibid.
- 3 Andrew Reamer, "Counting for Dollars 2020, The Role of the Decennial Census in the Geographic Distribution of Federal Funds Report #2: Estimating Fiscal Costs of a Census Undercount to States" (Washington: George Washington Institute of Public Policy, 2020), p. 3, available at <https://gwipp.gwu.edu/sites/g/files/zaxdzs2181/f/downloads/GWIPP%20Reamer%20Fiscal%20Impacts%20of%20Census%20Undercount%20on%20FMAP-based%20Programs%2003-19-18.pdf>.
- 4 Grant A. Driessen, "The Coronavirus Relief Fund (CARES Act, Title V): Background and State and Local Allocations" (Washington: Congressional Research Service, 2020), available at <https://crsreports.congress.gov/product/pdf/R/R46298>.
- 5 U.S. Census Bureau, "U.S. Department of Commerce Secretary Wilbur Ross and U.S. Census Bureau Director Seven Dillingham Statement on 2020 Census Operational Adjustments Due to COVID-19," Press release, April 13, 2020, available at <https://2020census.gov/en/news-events/press-releases/statement-covid-19-2020.html?linkid=100000011751624>.
- 6 Hansi Lo Wang, "Census Cuts All Counting Efforts Short By A Month," NPR, August 3, 2020, available at <https://www.npr.org/2020/08/03/898548910/census-cut-short-a-month-rushes-to-finish-all-counting-efforts-by-sept-30>.
- 7 U.S. Census Bureau, "Response Rates," available at <https://2020census.gov/en/response-rates.html> (last accessed August 2020).
- 8 Rhett Buttle and Katie Vlietstra Wonenberg, "Why all businesses should care about the 2020 Census," *The Hill*, March 4, 2020, available at <https://thehill.com/opinion/finance/485105-why-all-businesses-should-care-about-the-2020-census>.