

United States Senate

WASHINGTON, DC 20510-3604

December 5, 2006

The Honorable C. Louis Kincannon
Director
U.S. Census Bureau
FOB 3, Room 2049
Washington, D.C. 20233

Dear Director Kincannon:

We are writing to follow up with you regarding our concern that the Census Bureau has decided to eliminate the use of the Internet as a means of data collection for the 2010 Decennial Census.

As you know, it was the stated policy of the Census Bureau for many years to implement the 2010 Decennial Census with an online component. Allowing citizens to take the census online offered the prospects of lowering overall costs, increasing data quality, increasing response rates and providing convenience for those who would prefer to respond online. Such an option would also align with the Administration's e-Government initiatives to try and make the Federal Government more accessible to citizens through use of the Internet.

As far back as the 2000 Decennial Census, plans were executed that allowed the public to use the Internet as a new means of submitting their census forms. During the 2000 Census, tens of thousands of households for the first time submitted their survey online even though there was no advertising that it was an option. The decision to move forward with an online census in 2000 was a prudent decision in light of the rapid growth of the Internet and the number of Americans who were online at that time. By all accounts, the exercise was a success, and pointed the way forward towards bringing the Census Bureau into the 21st Century. According to the Census Bureau's April 15, 2002, final report on *Census 2000 Internet Web Site and Questionnaire Customer Satisfaction Survey*:

91 percent of respondents were satisfied with the Census 2000 Internet Form. Given the high levels of customer satisfaction, **Internet Data Collection demonstrated a strong potential for large-scale implementation in 2010.**¹

Also, in an August 14, 2002, final report of the Census Bureau, titled *Internet Data Collection*, the Census Bureau's own internal review led to the following strong recommendation that an online option be made a permanent feature of the census:

Obviously, the Internet is here to stay. The software and hardware developed for this program could have handled tens of millions of records instead of the tens of thousands it did handle. It is our recommendation that future research focus not necessarily on how to implement the form itself, but how to promulgate the Internet form as an option and convince the public that there is sufficient data security. Future research should also focus on how to use it as a tool to increase data quality by implementing real-time data

¹ U.S. Census Bureau, *Census 2000 Internet Web Site and Questionnaire Customer Satisfaction Survey*, April 15, 2002,

feedback and analysis. **The Internet option in Census 2000 was an operational success.**²

The success of this experiment laid the groundwork for introducing an Internet option to all citizens in the 2010 Census, and policy was immediately directed toward this effort. A brief history of these efforts will help to illustrate why we are now concerned with your decision to reverse those efforts and to eliminate the use of the Internet in 2010.

In 2001 and 2003, the Bureau conducted field tests to assess the online option as part of its overall census tests. At the conclusion of the tests, the Bureau released a report, *Estimated Life Cycle Costs for the Reengineered 2010 Census of Population and Housing*, that stated the Internet option would remain in place, even though costs would be slightly higher than originally expected.³

Likewise, a June 3, 2003, Census Bureau memo no. 13 of the *2010 Census Planning Memoranda Series*, explicitly stated that the Bureau expected the 2010 Census would “increase the number and availability of response options, such as **expanding our data collection capability for the Internet**, MCDs, and telephone response . . .”

On April 2, 2004, the Census Bureau once again asserted its intention to provide an Internet option by posting information on its website⁴ to explain the advantages of the 2010 Census over the 2000 Census. The website boasted that the 2010 Census would have a “full Internet response and assistance mode.” The site went on to explain that the Bureau’s most current estimates at that time were optimistic about the online response rates:

For 2010, we expect to implement a full, national, well-publicized option to respond to the Census via the Internet. **The Census Bureau is currently estimating that roughly 25% of respondents will use this response mode**, reducing the amount of paper data capture.

Nothing at all in this information indicated that the Bureau was considering eliminating the Internet option. Interestingly, this page is still publicly available on the Census Bureau’s website today.

In April 2005, the Internet option was once again field tested for operational effectiveness. In the June 2005, a report titled *Estimated Life Cycle Costs for Reengineering the 2010 Decennial Census Program*, which reflected the results of the April test, did not indicate that the Bureau had any plans to eliminate the Internet option.

Possibly the clearest action taken by the Census Bureau towards implementing an online option for the 2010 Census came on October 5, 2005, with its decision to award a contract for \$553 million to Lockheed Martin, in part to design and implement an online option as part of its Decennial Response Integration System (DRIS) Contract. As you are well aware, the process for awarding such large contracts is normally done only after careful planning and study have confirmed the need for the contract’s provisions. It can only be assumed that as of October 2005, the Census Bureau was confident in its decision to pursue an Internet option for the 2010 Census.

² U.S. Census Bureau, *Internet Data Collection*, August 14, 2002, pg. 17.

³ U.S. Census Bureau, *Estimated Life Cycle Costs for the Reengineered 2010 Census of Population and Housing*, June 2003, pg. 5.

⁴ The website can be found at: <http://www.census.gov/procur/www/2010dris/2000-2010-comparison.html>.

Finally, even as late as February 2006, the Census Bureau's *Budget Estimates as Presented to Congress* for fiscal year 2007 included a request for over \$75 million to complete a number of functions, including development of the Internet survey option. The congressional budget request stated that the money would be used for the following:

Continuing implementation of the Data Response Integration System Contract for designing, building, testing and implementing the systems and infrastructure needed to capture and integrate census respondent data from all collection modes (**including telephone, paper, hand held computers and the Internet**).⁵

You can imagine our surprise, then, in finding out just prior to the Subcommittee's June 6, 2006, hearing that the Census Bureau had suddenly reversed its longstanding plans, and instead decided to eliminate the Internet option. Possibly more disturbing was the decision of the Census Bureau to make no public announcement that it had made such a decision. On September 26, 2005, the Bureau issued a news release titled "Census Bureau Awards \$500 Million Contract to Capture and Standardize 2010 Census Data." It emphasized that: "The DRIS contract will include developing an option for filing census questionnaire responses via the Internet." No such similar release was issued when the decision was made to permanently eliminate the Internet option in Spring 2006.

It was not until recently that we discovered that the Bureau circulated an internal memorandum⁶ on July 19, 2006, to its employees explaining its decision to eliminate the Internet option from the DRIS contract. We read such a document with great interest and would greatly appreciate your providing the Subcommittee with answers to the following questions.

First, the memorandum states the following: "For nearly a decade, the U.S. Census Bureau has planned to provide the public with the option of using the Internet to respond to the 2010 Census . . . The Census Bureau also included the Internet option within the original scope of the Decennial Response Integration System (DRIS) contract, which we awarded in October 2005."

- 1. Why did the Census Bureau award a contract to Lockheed Martin in October 2005, after ten years of analysis leading up to the decision, only to reverse its decision within six months?**

Second, the reasons stated in the memorandum for eliminating the Internet option included: 1) "the Census Bureau underestimated the FY 2006-08 contractor costs proposed to develop DRIS;" 2) "the unimpressive predicted benefits of Internet usage;" and 3) "continued concern about the security of our respondents' data."

- 2. Which of these three reasons for eliminating the Internet option was the most important? Why?**
- 3. Did the Bureau learn new information about the predicted use of the Internet between October 2005 and March 2006, when the decision was made to eliminate the Internet option? Please provide the documentation that supported this new conclusion.**
- 4. Did the Bureau learn new information regarding data security between October 2005 and March 2006, when the decision was made to eliminate the**

⁵ U.S. Census Bureau, *Budget Estimates As Presented to Congress: Fiscal Year 2007*, February 2006, pg. CEN-178.

⁶ Waite, Jay, U.S. Census Bureau, "2010 Decennial Census Program Decision Memorandum Series No. 14," July 19, 2006.

Internet option? Please provide the documentation that supported this new conclusion.

5. If there was such skepticism about both the response rates as well Internet security prior to the contract being offered, why did large, and presumably well thought-out contract include a provision to implement an online component?

Third, the memorandum discussed the methodology used to evaluate whether or not an Internet option would increase response rates. It said the following: "When Internet is offered as an option on a mail-out questionnaire, no increase in overall response was observed."

6. When the Census Bureau tested the Internet option in 2001, 2003 and 2005, did it advertise the option or simply it as an option on the mail-out questionnaire?

7. Has the Census Bureau conducted a thorough analysis of what the response rates would be in 2010 if an extensive public advertising campaign preceded it?

8. Do you believe it is possible to accurately predict the response rates in 2010 without such an analysis? If so, why?

Fourth, the memorandum cites "growing concerns around Internet security" as a reason for eliminating the Internet option. Further, the memo states that an online option would require computer security reviews and that "the Census Bureau does not have sufficient funds within the near term budgets for conducting such detailed reviews on contractor work involving Internet security."

9. Could you please provide documentation supporting the "growing concerns" you see as an impediment to offering the Internet in 2010?

10. Please provide documentation supporting your conclusion that costs would be too high to address the security concerns if an Internet option was a part of the 2010 Census?

11. Did your concerns about the cost of Internet security reviews arise before or after you decided to award a contract for an Internet option to Lockheed Martin in October 2005? Please elaborate and provide dated documentation behind those concerns.

We appreciate your consideration of the concerns we share about your decision to eliminate the Internet option from the 2010 Decennial Census. If you could respond to these questions by January 4, 2007, that would greatly help the Subcommittee conduct thorough oversight of this matter. We look forward to your response and working closely on other important matters in the future.



Tom Coburn, M.D.
Chairman
Subcommittee on Federal Financial
Management, Government Information,
and International Security

Sincerely,



Tom Carper
Ranking Member
Subcommittee on Federal Financial
Management, Government Information,
and International Security

CC: The Honorable Carlos M. Gutierrez, Secretary, U.S. Department of Commerce