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BUDGET BOONDOGGLE AWARD

COSTLY COUNTING: THE 2010 CENSUS

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In its zeal to go “high tech,” the usually redoubtable Census Bureau has already assured the 2010 head count of U.S. residents will be the most expensive in history, even after adjusting for inflation. At a projected \$14.5 billion, next year’s census will cost more than twice the expenditure for the 2000 enumeration – mainly because agency officials contracted for a half-million hand-held computers, and then mismanaged production of the devices. The result is \$3.6 billion in wasted taxpayers’ funds – and the latest Budget Boondoggle Award.

Here is how events unfolded.

- After the 2000 census, top Census Bureau officials sought to replace the paper-and-pencil method of data collection with automated hand-held computers. But instead of buying off-the-shelf technology and coordinating with those who would actually use it, the agency paid a vendor more than \$600 million to “custom-build” 500,000 hand-held devices for its temporary field enumerators.
- The hand-held instruments had to do just two things: 1) enable enumerators to input information from households who did not return their census questionnaires; and 2) update the location of every household in the country. They succeeded in neither. Census Bureau officials failed to articulate or oversee technical requirements, resulting in a poorly designed and inferior technology. In dress rehearsals, it became clear the devices were too complex for workers to use, incapable of transmitting the amounts of data necessary, and full of “bugs.”
- How to solve the problem? *Spend more money, of course.* By April 2008, the Secretary of the Department of Commerce, home of the Census Bureau, admitted to Congress that the program had “experienced significant schedule, performance, and cost issues,” forcing census officials to scrap plans for the computer devices and spend an *additional \$3 billion* to revert to a traditional paper-based system.



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- This \$3.6-billion mistake has pushed the overall price tag for the 2010 census from roughly \$11 billion to an unprecedented \$14.5 billion – more than double the \$6.5 billion spent on the 2000 census. Yet despite the additional spending, the Government Accountability Office and other nonpartisan watchdog groups deem the forthcoming census “at risk,” leaving many worried about its accuracy.

After repeating the same constitutionally required task every decade since 1790, the Federal Government should by now have a handle on how to take a census, from which congressional districts are established, and billions of dollars in State, local, and research funds are allocated. But by trying to “modernize” procedures, the Census Bureau has actually regressed. The results raise doubts about the government’s ability to run, say, auto companies, financial institutions, or U.S. health care.