



Houston Hispanic
Chamber of Commerce

The Leader of Houston's New Majority®

THE 2020 UNITED STATES CENSUS





Overview

Every ten years, the United States undergoes its annual population survey known as the United States Census. For more than 200 years, the US Census has been utilized to provide a detailed record of the country's demographic trends, determine how many representatives each state can send to Congress and, most importantly, how billions in federal dollars are disbursed to states and localities across the country.

For the 2020 United States Census, the stakes couldn't be higher.

For the 2020 census, widespread concern exists among leaders across the country that an accurate count will be difficult to achieve. The Trump administration's decision to include a citizenship question in the survey for the first time since 1950 is the preeminent contributing factor. Demographers, experts and leaders predict that simply including this question will depress response rates in immigrant households and, in particular, across the Hispanic community. This could threaten the state's ability to fully capture its population and imperil vital federal funds tied to social services that many Texans depend on.

For a state that is home to more than 5 million immigrants, the potential financial pitfalls of a flawed population count are significant.

For the City of Houston, the impact an undercount could have on the city's bottom line could be devastating. Every fiscal year, the city relies on the Census Bureau's population estimate as part of the formula that sets its voter-approved Proposition 1 revenue cap, which determines the amount of property tax revenue the city can collect. Because the cap limits the city's annual increase in property tax collections to the lesser of 4.5 percent or the Consumer Price Index (CPI) plus population increase, an undercount of the city's population could further hamstring city finances.

For businesses in the region, an accurate census plays an instrumental role in understanding the populations they serve and helps frame the blueprint for future business and economic growth. Particularly as it relates to the region's Hispanic community – which represents more than \$54 billion in spending power, according to Telemundo – an inaccurate population count could result in a sacrifice of market share for corporations, small business, and entrepreneurs across the region.

As the 2020 United States approaches, it's vital that community, business, and elected leaders make securing an accurate population count one of their foremost priorities. A potential undercount could not only deal a devastating blow to the demographic future of our region – it also threatens to cripple the bottom lines of our businesses, our city, and our state.

A Shift in the Demographics



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The 2020 United States Census

Perhaps more than any other census in modern history, the 2020 United States Census will play a leading role in accurately portraying the country's demographic transformation that has occurred over the past few decades. Assuming an accurate count is secured, the 2020 census will likely demonstrate minority groups and the immigrant community as an increasing share of the population since the turn of the century.

The 2000 United States Census demonstrated a predominately Caucasian nation, with a growing number of Hispanics, African-Americans, and Asians making up the majority of the rest of the population. The 2000 Census counted a total US population of 281,421,906. Of that, Caucasians represented 75% (211,460,626), African-Americans represented 12.3% (34,658,190), Asians comprised 3.6 % (10,242,998), and Hispanics represented 12.5% (35,305,818) of the population.

The 2010 United States Census, on the other hand, demonstrated significant demographic shifts that have continued – and increased – to present day.

The 2010 Census illustrates a growing nation, with more than 308,000,000 people living in the United States. Out of that population, 63.7% (196,817,552) are Caucasian, 12.2% (37,685,848) are African-American, Asians comprise 4.7% (14,465,124), and Hispanics make up 16.3% (50,477,594).

In the ten years between the last two U.S. Census', Hispanics represented the fastest-growing demographic sector by a significant margin.

This demographic shift did not end in 2010. By almost every metric, the growth of the Hispanic community has outpaced that of other demographic groups up until present day. This is also true more broadly of the immigrant community, as a whole. According to the Center for Immigration Studies, the immigrant population reached 40 million in 2010, the highest number in American history. More than 14 million new immigrants settled in the country from 2000 to 2010 with that trend continuing to present day.

With the growing influence of the Hispanic and immigrant communities as a backdrop, an accurate population count is essential to the future of our region, state, and nation.

A Population that is Hard to Count



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Challenges

Securing an accurate population count in the decennial population census always faces expected challenges. Reaching hard-to-count groups such as minorities, immigrants, low-income communities, renters, and the young has always posed inherent challenges to census takers.

The 2020 census also faces significant funding challenges that threaten to derail the possibility of an accurate count. For the year 2018, a budget of \$1.475 million was adopted – a level that experts warn is significantly less than what is needed to conduct an effective build-up to the full census in 2020. Those funding issues will likely be exacerbated as the White House directs across-the-board departmental budget cuts in the coming fiscal year(s).

Despite these barriers, the 2020 United State Census faces a significant challenge that has not been present in more than 50 years. For the first time in half a century, the decennial population count will contain a question that asks whether respondents are citizens of the United States. In a last-minute change, the Commerce Department added the question, which will require every household to detail the citizenship status of each person living in that household. The decision to add the question is currently making its way through the American legal system but, should the question remain, it will have a significant impact on the accuracy of the 2020 US Census.

Experts predict that adding a citizenship question will only exacerbate the challenges that exist in accurately reflecting a growing immigrant population, which has already proved difficult to count. Compounded by commonplace anti-immigrant rhetoric, widespread concern now exists that including the citizenship question in the survey will throw the accuracy of the 2020 United States Census into doubt.

The fear within the immigrant community isn't anecdotal: According to Vox, instances have occurred where respondents have fled their home when Census employees began asking questions. In other examples, families have moved from their homes in order to remain out of view of Census employees. In other instances, respondents stop answering questions or have deliberately lied to surveyors.

The trepidation expressed by a subset of the population is real and must be addressed in order to secure an accurate population count in the 2020 US Census.

The Strain of an Undercount



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Financial Implications of an Undercount

An inaccurate census could have crippling consequences in accurately portraying the growing influence that the immigrant community is having on the United States. But a population undercount will not only have damaging demographical implications. An undercount will also deal a devastating blow to the bottom lines of both the State of Texas and the Greater Houston Region.

State of Texas

Decennial census data is essential to the equitable distribution of federal program dollars to states and localities across the country. According to the George Washington University Institute of Public Policy, more than 300 federal programs geographically allocate over \$800 billion a year based on census-derived statistics.

Five grant programs administered by the U.S. Department of Health and Human Services use the Federal Medical Assistance Percentage based on Decennial Census population count, to determine reimbursements to and payments from each state government, totaling more than \$286 million annually. Those programs are Medicaid, the Children's Health Insurance Program, Title IV-E Foster Care, Title IV-E Adoption Assistance, and the Child Care and Development Fund.

The same George Washington study also calculated a cost per-person missed in the decennial population count. Among the 37 states surveyed, the median cost per-person missed in the census was \$1,091. Assuming that cost, if 1/5 of Texas' immigrant population is missed in the 2020 US Census, our state stands to miss out on more than \$1 billion in federal funding. That will put additional stress on the state's budget, and likely result in a loss of services and programming that millions of Texans rely on.

Houston Metropolitan Statistical Area (MSA)

The City of Houston has already seen the significant strain a population undercount can place on its budget.

To set its Proposition 1 revenue cap, the city utilizes a formula that includes the Census Bureau's population estimate. For the city's Fiscal Year 2019 budget, an assumed population growth of 30,400 was utilized, which set the Proposed Budget Proposition 1 cap at just over \$1.2 billion. In late May, the Census Bureau released its population estimate, which demonstrated population growth of roughly 9,200 people — or

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21,200 fewer than the city anticipated. This difference calculated a Proposition 1 cap of \$1.1835 billion and put a \$17 million hole in the city's budget.

The \$17 million is a small percentage of a more than \$5 billion budget, but that difference required the city to draw down \$17 million from its fund balance (i.e. savings account), placing further pressure on an already tight City of Houston budget.

And that's what happens when the population count is off by only 20,000. Imagine the financial implications of missing just a tenth of the Greater Houston region's more than 1.4 million immigrants in the upcoming census. Particularly as it relates to the city's Hispanic population – which comprises 35 percent of the city's total population – an inaccurate count could greatly hinder the city's financial future.



Houston Leaders Speak on the Importance of the 2020 US Census



Harris County Judge-Elect Lina Hidalgo

“The 2020 United State Census plays a vital role in how we plan and coordinate resources across Harris County. It’s an important tool that informs public and private leaders on how to better serve their constituencies and provides clear direction on how to plan for the future.”



City of Houston Mayor Sylvester Turner

“The stakes for the 2020 US Census couldn’t be higher. Houston is the most diverse city in the nation and is home to millions of people from across the globe. To ensure we are building a better future for all Houstonians, we must know who they are. That’s why the City of Houston is partnering with the Houston Hispanic Chamber of Commerce – to ensure every Houstonian is counted in the upcoming census.”



Houston City Controller Chris Brown

“The 2020 US Census will play a vital role in shaping our city’s financial future. The population count is a key component to the formula that frames our budget and helps determine how we prioritize the allocation of resources across our city. Every dollar matters and, for the City of Houston, those dollars are inextricably tied to the 2020 census.”



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