

March 20, 2025

The Honorable Rand Paul  
Chairman  
Committee on Homeland Security and  
Governmental Affairs  
U.S. Senate  
Washington, D.C. 20510

The Honorable Gary Peters  
Ranking Member  
Committee on Homeland Security and  
Governmental Affairs  
U.S. Senate  
Washington, D.C. 20510

The Honorable James Comer  
Chairman  
Committee on Oversight  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Gerald E. Connolly  
Ranking Member  
Committee on Oversight  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Chairman Paul, Chairman Comer, Ranking Member Peters and Ranking Member Connolly:

The National League of Cities, representing the collective interests of cities, towns and villages across the United States, strongly supports the continuation of the American Community Survey (ACS) as it stands as a mandatory survey. We are committed to ensuring that local governments have access to accurate, timely, and representative data to better serve their residents.

### **ACS Data Are Essential for Local Decision-Making and Federal Program Implementation**

The ACS is a cornerstone of informed governance at all levels. For cities, towns and villages, ACS data provide critical insights into demographic shifts, housing trends, transportation needs and socioeconomic conditions. Local governments rely on this data to guide land-use planning, allocate resources and apply for federal funding through programs like Community Development Block Grants (CDBG). ACS data also ensure targeted efficiency by reducing waste and optimizing investments. Without accurate ACS data, federal funding distribution could become less efficient and effective, continuously funneling resources to a limited set of communities identified as high-need early in the decade, without accounting for subsequent progress and shifts in local conditions over time.

ACS data provides key information that can be cross-referenced to identify and track trends. For example, entities can compare homeownership versus rental rates, occupancy trends and property taxes from the previous year between separate zip codes, cities and/or states. This

information benefits potential residents considering relocation, businesses evaluating development opportunities and local governments determining infrastructure needs, such as fire stations or crosswalks. ACS data also supports urban planning efforts, as seen in Maryland, where it was used to project housing demand for the next decade and develop strategies to improve access to affordable housing. Beyond planning, ACS data is essential for socio-economic research, enabling local governments, small businesses and nonprofit organizations to collaborate and create frameworks that strengthen and improve their individual communities.

For instance, local communities can use ACS data to assess the long-term financial health of senior assistance programs, develop workforce-based economic development strategies and ensure veterans receive the necessary resources.<sup>1</sup> By working with data instead of presumptions, local governments can target their investments to reality and ensure that our veterans, senior citizens and other populations are adequately taken care of. Without ACS, localities would not have access to this depth or breadth of information without continually investing in costly marketing research—an impractical burden for small and rural communities. Because ACS data is publicly accessible, local governments and businesses alike rely on it for critical investment and operational decisions, such as forecasting growth, crafting marketing strategies and planning infrastructure improvements.

Every ACS question serves a specific purpose. For example, data on commuting patterns—such as how people get to work, their departure times and commute durations—inform transportation planning, emergency response routing and infrastructure development.<sup>2</sup> Additionally, data on household internet and device access help policymakers identify areas lacking broadband infrastructure, guiding investments to expand digital connectivity. Without it, or if we make responses voluntary, we lose a crucial tool in our fight to bring all of America into the 21<sup>st</sup> century.

Communities change significantly over a decade, making the continuation of the long-term data collection from ACS imperative. Relying on outdated data will hinder economic growth and efficiency and without continued collection the ability to understand trends and change will be virtually impossible.

### **Maintaining Mandatory Response for the ACS Is Critical**

Response to the ACS must remain mandatory to ensure robust participation and high-quality data that accurately represents all of America – from the smallest villages and most rural areas to suburbs and cities. Lessons from Canada’s brief experiment with voluntary census responses underscores the risks. After it became voluntary, the Canadian survey yielded much lower response rates, resulting in information that less comprehensively and reliably covered the small areas of Canada—and at a higher cost.<sup>3</sup> Canadian decision makers were left to use out-of-date data that did not adequately represent their small and rural communities. In fact, the majority of developed countries require participation for census responses.

In the United States, ACS data is required and essential to inform the allocation of more than \$675 billion state and federal funds that are distributed each year.<sup>4</sup> In 2021, 353 federal spending programs distributed trillions of dollars to states and local areas on the basis, in whole or in part, of data derived from the ACS.<sup>5</sup> The data is also used to strengthen and support grant applications, even when it is not required. Moreover, the U.S. Bureau of Labor Statistics (BLS)

uses ACS data to estimate labor composition in the regularly released “Total Factor Productivity for Major Industries” report. ACS data quickly reflects changes in industry labor composition. This was particularly evident with the onset of the COVID-19 pandemic in 2020, where the improved method more accurately captured the speed of change in many industries. Using the ACS data in the estimates also provided a more consistent measure that spanned productivity and national accounts estimates, while resulting in only minimal revisions over time.<sup>6</sup>

Making ACS responses voluntary would disadvantage small and rural cities in federal, state and local grant applications, as they would be forced to rely on outdated data while larger, wealthier cities could provide up-to-date information.

Reliable ACS data is essential for fostering economic growth, ensuring equitable resource distribution and supporting small and rural communities. Keeping ACS responses mandatory safeguards the integrity of this vital dataset and prevents cost inefficiencies that could disadvantage many communities.

## **Conclusion**

The American Community Survey is indispensable for cities, towns and villages. Decisions based on ACS data affect every resident, from the largest metropolitan areas to the smallest villages. It enables data-driven decisions that improve the well-being of millions of Americans.

The National League of Cities strongly supports the continuation of the ACS in its current form. Thank you for considering our comments. Please reach out to my colleague Dante Moreno (moreno@nlc.org) with any questions.

Sincerely,

Clarence Anthony  
CEO and Executive Director  
National League of Cities

CC:

Acting U.S. Census Bureau Director Dr. Ron S. Jarmin

U.S. Secretary for the Department of Commerce Howard Lutnick