Citizenship Question in the US Census Presents Risks to Investors, U.S. Businesses, and Immigrant Communities
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Members of the Interfaith Center on Corporate Responsibility (ICCR), a coalition of nearly 300 faith-based and values-driven institutional investors representing $400 billion in assets under management, raise our profound concerns about the impact on immigrant communities, businesses, and investors of the decision to add a new question regarding citizenship status to the 2020 census form. On March 26, 2018, Secretary of Commerce Wilbur Ross announced that he had directed the Census Bureau to add a question to the 2020 census form not using the well-proven, multi-year process to test new questions. Since then, seventeen states, the District of Columbia and six cities have sued the U.S. government, saying plans to add a citizenship demand to the census questionnaire is unconstitutional. Demographers and other experts—including several former directors of the census1 —have warned that the late addition of this citizenship question, and questioning residents about their immigration status or citizenship would “inevitably jeopardize the overall accuracy of the population count.”2 This may have profoundly negative impacts, without a clear and compelling rationale to justify this action.

We believe a question on citizenship will undermine the accuracy of 2020 census data, and runs the risk of significantly under-representing immigrant, minority and low-income populations. Every census since the first enumeration in 1790 has included citizens and non-citizens alike. Jeopardizing the accuracy of the 2020 census by deterring many people from responding will have many negative consequences. Government agencies, corporations, healthcare and educational institutions, and non-profits are among the many institutions that rely on accurate census data. The census is more than just a statistical survey on the U.S. population. It also serves to determine the allocation of $675 billion per year in federal and state funding, according to Census Bureau statistics; local community leaders use this data to make decisions about allocating resources for community needs such as education, assistance for veterans, hospitals, and transportation. Census data are the basis for fair political representation, used to determine the distribution of the 435 House seats among the 50 states.

As investors and fiduciaries, we recognize that accurate census data is essential to inform corporate decisions related to the American market demographics and growth potential. Companies, both large and small, use census data to influence business development and growth strategies. This information helps businesses to identify, measure, and forecast the size of a market for their services; make informed decisions, such as selecting business locations, and determining the goods and services to be offered; and assess labor markets. Chambers of commerce and public-private partnerships use census data to promote business attraction, expansions, and startups that lead to job creation and a larger tax base. Further, data on the demographics and locations of potential customers not only inform business planning and investments, but in some cases, actually make their projects possible. For example, certain investments may qualify for special tax treatment if they are located in places with certain concentrations of low- or moderate-income households.3 Incorrect or incomplete census information could have ramifications on the effectiveness of business strategies and planning and may negatively

3 https://www.brookings.edu/blog/fixgov/2017/08/31/the-2020-Census-may-be-wildly-inaccurate-and-it-matters-more-than-you-think/amp/
impact businesses’ bottom lines and the economy. An undercount would likely shrink jobs, investment, and tax revenue.

It is widely recognized by immigrant rights groups that recent U.S. positions on immigration enforcement have led to increasing loss of trust in government officials among immigrant communities, with people afraid to open their doors for fear of being targeted, making this a particularly problematic time for the addition of a question on immigration status. In fact, the Census Bureau warned last fall⁴, that based on focus groups and pre-testing for the 2020 census, its staff members were reporting increased fear among immigrants about the confidentiality of their personal information and how government authorities may use that information against them and their families. The likely outcome is that a new question will skew the results and have real impacts on cities and towns across the country, especially those with large immigrant communities. In addition to determining federal funding distribution for critical programs in states, census data also determines people’s long-term representation at the federal, state, and local levels, which influences important issues such as redistricting, the division of seats in the House of Representatives, and even local school zoning. This would further disenfranchise communities that are historically underrepresented in census data and in electoral office.

In light of these potential negative impacts for society, business, and investors, we strongly urge Congress to consider a prudent course of action to achieve a “full, fair, and accurate census” as the Constitution requires, so that the census may effectively achieve the goals it was intended to serve.