

**OMB Information Collection Request  
Supporting Statement A  
U.S. Department of Commerce  
U.S. Census Bureau  
Annual Social and Economic Supplement  
to the Current Population Survey  
OMB Control Number (0607-0354)**

**A. JUSTIFICATION**

**1. Circumstances Making the Collection of Information Necessary**

This request is for a revision of a currently approved collection. The Annual Social and Economic Supplement (ASEC) is currently approved through December 31, 2021, with OMB Control Number 0607-0354.

The U.S. Census Bureau has conducted the ASEC annually for over 70 years, and will conduct it in conjunction with the February, March, and April Current Population Survey (CPS). The following authorities establish the legal sufficiency for conducting this work.

For the U.S. Census Bureau: 1) Title 13, United States Code, Sections 141 and 182; and for the Bureau of Labor Statistics, 2) Title 29, United States Code, Sections 1-9. See Attachment L for the full text of these statutes.

For the Bureau of Labor Statistics (BLS) who co-sponsors this supplement, and on whose behalf the U.S. Census Bureau will conduct this survey, Title 29, United States Code, Sections 2 and 8, authorizes the collection, collation, and reporting of statistics related to labor force conditions (Section 8 is specific to unemployment for those of Hispanic origin).

The proposed supplement, as it will appear in the CPS instrument, is shown in Attachment A. The instrument questionnaire, which is mostly unchanged since its redesign in 2015, will consist of some changes compared to the collection in 2021. These changes are highlighted in Attachment A (pp. 121-122, 133-134) and are summarized here.

- A minor wording change to the legacy free and reduced school lunch question (Q83) to reflect current program rules.
- A modification to the pandemic school meals question (ECVDPEBT) to capture receipt of debit cards under the P-EBT program and expand the universe for the question to include all households with children 5 to 18.
- Simplify the stimulus payment question (ECVD\_EIP) related to the Economic Impact Payment from the Federal Government, and remove two follow-up questions asking about who was covered and the dollar amount (ECVD\_COV and

ECVD\_AMT).

- Addition of a question asking about Advanced Child Tax Credit payments received.

The slight change to the free and reduced school lunch question is necessary to reflect USDA FNS's Community Eligibility Provision (CEP). CEP allows the nation's highest poverty schools and districts to serve breakfast and lunch at no cost to all enrolled students without collecting household applications. For the 2021-2022 school year, more than 30,000 school were eligible for the program.

Pandemic Electronic Benefit Transfer (P-EBT) is part of the U.S. government response to the COVID-19 pandemic. The Families First Coronavirus Response Act of 2020 (PL 116-127), as amended by the Continuing Appropriations Act 2021 and Other Extensions Act (PL 116-159), the Consolidated Appropriations Act 2021 (PL 116-260), and the American Rescue Plan Act of 2021 (PL 117-2) provides the Secretary of Agriculture authority to approve state agency plans to administer P-EBT. Through P-EBT, eligible school children receive temporary emergency nutrition benefits loaded on EBT cards that are used to purchase food. Children who would have received free or reduced-price meals under the National School Lunch Act if their schools were not closed or operating with reduced hours or attendance for at least 5 consecutive days are eligible to receive P-EBT benefits.

The expanded and newly-advanceable Child Tax Credit was authorized by the American Rescue Plan Act, enacted in March 2021. For 2021 this credit has been expanded to \$3,000 per child for dependents ages 6 through 17 and \$3,600 per child for dependents age 5 and under, up from \$2,000 per child in the past. Also, the credit is fully refundable for 2021. Before this year, the refundable portion was limited to \$1,400 per child. From July through December 2021, up to half the credit will be advanced to eligible families by Treasury and the IRS. Eligible families can choose to decline receiving the advance payments. The IRS estimated that in the first month roughly \$15 billion was paid out to families that include nearly 60 million eligible children. Experts have projected the American Rescue Plan will lift more than five million children out of poverty this year, cutting child poverty by more than half.

This request also asks for clearance for the forms that are used in conjunction with the ASEC supplement. These forms include:

<b><u>Form No.</u></b>	<b><u>Description</u></b>	<b><u>Attachment</u></b>
BC-1428	Confidentiality Brochure.	F
BC-1428 (SP)	Same letter as above translated into Spanish.	G
CPS-580 (ASEC)(L)	Advance letter sent to each household in sample.	H

<b><u>Form No.</u></b>	<b><u>Description</u></b>	<b><u>Attachment</u></b>
CPS-580 (L)SP	Same letter as above translated into Spanish.	I
CPS-676	Pamphlet with information from the ASEC.	J
CPS-676 (SP)	Same pamphlet as above but in Spanish.	K

These forms are made available so that the respondents will have a clear understanding of the purpose and uses of the CPS ASEC supplement.

## **2. Purposes and Uses of the Information Collection**

The ASEC questionnaire can be divided into five logical series of questions as follows:

a. Work Experience (See Attachment A: Items Q29A-Q4788)

The work experience items provide a unique measure of the dynamic nature of the labor force as viewed over a 1-year period. These items produce statistics that show movements in and out of the labor force by measuring the number of periods of unemployment experienced by people, the number of different employers worked for during the year, the principal reasons for unemployment, and part-/full-time attachment to the labor force. We can make indirect measurements of discouraged workers and others with a casual attachment to the labor market.

b. Personal Income and Noncash Benefits (See Attachment A: Items Q48AA-Q52Cs1 Q56a-Q73A1Rc, Q74a)

The ASEC supplement collects data on a number of personal income and noncash benefit sources as listed below:

### **Sources of Income**

- Earned Income
- Unemployment and Workers' Compensation
- Social Security and Supplemental Security Income
- Public Assistance and Veterans Payments
- Survivor Benefits and Disability Income
- Pensions, Annuities, and Retirement
- Income-Earning Accounts outside of Retirement and Property Income
- Education Assistance
- Child Support
- Regular Financial Assistance and Other Income

Data from the ASEC are used for statistical purposes only and cannot be used to reveal a person's identity or responses to the survey. Analysis of the data is performed in a variety of ways by various users. The income data from the ASEC are used by social planners, economists, government officials, and market researchers to gauge the economic well-being of the country as a whole and of selected population groups of interest. Government planners and researchers use these data to monitor and evaluate the effectiveness of various assistance programs. Market researchers use these data to identify and isolate potential customers. Social planners use these data to forecast economic conditions and to identify special groups that seem to be especially sensitive to economic fluctuations. Economists use ASEC data to determine the effects of various economic forces, such as inflation, recession, recovery, and so on, and their differential effects on various population groups. A prime statistic of interest is the classification of people in poverty and how this measurement has changed over time for various groups. Researchers evaluate ASEC income data not only to determine poverty levels but also to determine whether government programs are reaching eligible households.

The health insurance items (pages 104-117 in Attachment A) collect data on five possible categories of health insurance coverage, as listed below:

- 1) Coverage provided through a current or former employer.
- 2) Coverage through a private health insurance plan purchased directly.
- 3) Coverage on any health insurance plan, including that of a nonhousehold member.
- 4) Government-sponsored coverage, including medicare, medicaid, and State Children's Health Insurance Program (SCHIP).
- 5) State-specific coverage for low-income uninsured individuals.

c. Household Noncash Benefits (See Attachment A: Items Q80-Q94)

These items collect data on participation in the school lunch, public housing, Supplemental Nutrition Assistance Program (SNAP), and fuel assistance programs. The questions (Q80 and Q83) concerning school lunches identify households with children who participated in the Federal School Lunch Program during the previous year. These data allow for more effective analyses of the program and, along with the SNAP benefits data, show where the client groups of the two food nutrition programs overlap.

The questions (Q85 and Q86) on public housing identify households that are owned by a housing authority or other public agency and households where a government agency is paying for part of the rent. These data allow for more effective analysis of public housing programs and measure the extent of participation among eligible

families. Item SPHS8 determines the specific source of housing assistance. The questions (Q87r through Q88) on the SNAP benefits identify which household members received SNAP benefits during the previous year. These data, along with the detailed supplemental income data, allow for a more comprehensive evaluation of the SNAP benefits program and measure the extent of participation among eligible families.

Items Q93-Q94r<sup>2</sup> provide a measurement of the number of households that have received government heating or cooling assistance in the previous calendar year, and the amount of such assistance. State agencies provide the only other available data relevant to the energy assistance program in the form of summary counts of households receiving this type of assistance, cross-classified by their annual income levels. The ASEC is the only current data set capable of cross-tabulating fuel assistance recipients/nonrecipients with their socioeconomic characteristics. This allows analysts to determine whether funds are reaching eligible households.

d. Supplemental Poverty Measures (See Attachment A: Items VALPROP-SMORTYN)

Questions designed to produce a supplemental poverty measure can be divided into four parts: 1) Property value and presence of mortgage; 2) Medical expenditures; 3) Child support paid; and 4) Child care expenses paid.

Many agencies use poverty data from the Census Bureau, including the U.S. Department of Health and Human Services, the U.S. Department of Housing and Urban Development, and the U.S. Department of Agriculture. Each of these agencies, and many more, are eager for the Census Bureau to release improved poverty measures so they can ascertain how such a measure can enhance their ability to provide assistance and services to those in need. Agencies which publish documents based on the traditional (current) poverty measure are encouraged to also produce information based on a supplemental poverty measure to the fullest extent possible.

Information on health care expenditures is important to the Bureau of Economic Analysis as it develops its health care satellite account in response to the growing economic importance of health care spending in the United States.

e. Migration (See Attachment A: Items MIGSAM-NX1OTH)

The migration questions refer to one year ago and collect information on residency including state, county, and city. Private and government analysts use migration statistics from this supplement to determine the mobility of the country's population. Specifically, it is important to determine which areas are losing/gaining in population over the decade and to monitor the population shifts between regions and between cities, suburbs, and nonmetropolitan areas of the country. These migration patterns provide researchers the ability to predict future population decline/growth

and general socioeconomic conditions for these areas.

Information quality is an integral part of the pre-dissemination review of the information disseminated by the Census Bureau (fully described in the Census Bureau's Information Quality Guidelines). Information quality is also integral to the information collections conducted by the Census Bureau and is incorporated into the clearance process required by the Paperwork Reduction Act.

### **3. Use of Internet Technology and Burden Reduction**

We deem the use of personal visits and telephone interviews, using computer-assisted telephone interviewing and computer-assisted personal interviewing, the most appropriate collection methodology given existing available information technology. We are examining the Internet as a reporting option, but have not yet determined whether the Internet is feasible for a complex demographic survey such as the CPS, and CPS supplements such as the ASEC.

### **4. Efforts to Identify Duplication and Use of Similar Information**

The ASEC and the Survey of Income and Program Participation (SIPP) contain similar content, but the ASEC remains a vital data source. It provides a database for measuring economic activity dating back to 1947. The ASEC is often matched to the other CPS supplements conducted in adjacent months, thereby greatly enhancing the utility of those datasets at minimal cost to the sponsors without increasing respondent burden. ASEC provides a higher level of statistical reliability than SIPP because the SIPP sample size is smaller than the CPS. However, SIPP collects considerably more detail on program benefits and assets, which enables measurements of wealth and well-being.

The ASEC focuses on accurate cross-sectional data (providing a clear snapshot), while SIPP focuses on accurate longitudinal data (providing a moving picture). A number of independent surveys and supplements to the CPS have contained selected income and noncash benefit items. Until the implementation of the SIPP, however, no other data source was available that provided the depth and scope of information of the kind described in Question 2.

The American Community Survey (ACS) also collects information on health insurance, however, this information was not collected prior to 2008. The CPS ASEC is the most widely used source of data on health insurance coverage in the United States, with a consistent time series of estimates from 1999 to 2012 and another time series that begins with 2013.

### **5. Impacts on Small Businesses or Other Small Entities**

This collection does not involve small businesses or other small entities

## **6. Consequences of Collecting the Information Less Frequently**

We collect the ASEC annually to detect shifts in household composition, labor force activity, migration patterns, and income levels. These measurements are very sensitive to the general economic climate, and to collect these data less frequently would mask some trends and disrupt time series analyses.

## **7. Special circumstances**

There are no special circumstances. We collect the CPS and ASEC data in a manner that is consistent with the Office of Management and Budget (OMB) guidelines.

## **8. Comments in Response to the Federal Register Notice/Outside Consultation**

A notice of intent to ask the ASEC supplement questions was published in the April 1, 2021 edition of the Federal Register (86 FR, p. 17121). A second notice was published in the September 3, 2021 edition of the Federal Register, asking for comments on questions added to the data collection. Both notices invited comments on the necessity and practicality of the data collection and comments on various other aspects of the proposed collection. In response to the notices, we received one comment from the Bureau of Economic Analysis, supporting the collection of this information. We received no other comments.

The following individuals have contributed to the development of the ASEC supplement by providing valuable feedback on the usefulness of the data for policymaking:

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In addition, a statement soliciting comments for improving this supplement is prominently placed in all Census Bureau publications that cite ASEC data and a similar statement is included in the technical documentation that accompanies the ASEC microdata files.

Finally, advance letters (see Attachments D and H) provide respondents with an address at the Census Bureau and at the OMB to which they can submit general comments on the survey, specifically those regarding respondent burden.

## **9. Explanation of Any Payment or Gift to Respondents**

We do not pay the CPS respondents or provide them with gifts.

## **10. Assurance of Confidentiality Given to Respondents**

We will collect these supplemental data in compliance with the Privacy Act of 1974. Each sample household will receive an advance letter approximately one week before the start of the initial CPS interview (see Attachments D & E). The letter includes the information required by the Privacy Act of 1974, informs each respondent of the voluntary nature of the survey, and states the estimated time required for participating in the survey.

Additionally, interviewers must ask each respondent if he/she received the advance letter and, if not, will provide a copy of the letter to each respondent and allow sufficient time for him/her to read its contents. Upon request, interviewers also provide households with the pamphlet on "How the Census Bureau Keeps Your Information Strictly Confidential," which reaffirms the confidentiality assurances and mentions the Census Bureau's past performance in assuring confidentiality (see Attachments F & G). All information given by respondents to Census Bureau employees is held in strict confidence under Title 13, United States Code, Section 9. Each Census Bureau employee has taken an oath to that effect and is subject to a jail penalty and/or a substantial fine if he/she discloses any information given to him/her.

## **11. Justification for Sensitive Questions**

The sources of income and assets are among the kinds of data collected and possibly considered of a sensitive nature. The Census Bureau takes the position that the collection of these types of data is necessary for the analysis of important policy and program issues, and consequently has structured the questions to lessen their sensitivity. The Census Bureau pledges its commitment to keep all survey responses confidential (Attachment D), and response is voluntary, however, each unanswered question lessens the accuracy of the final data.

## **12. Estimates of Annualized Hours and Cost Burden**

The total estimated respondent burden is 32,500 hours for fiscal year 2022. We base this estimate on previously conducted ASEC supplements and previous use of automated interviewing procedures in the CPS. The actual interview time is dependent upon the size of the household.



For the ASEC, there will be approximately 78,000 households interviewed with one respondent per household. The average time of the interview is 25 minutes; therefore, the total estimated respondent burden is 32,500 hours for fiscal year 2022. See Part B for a size breakdown of the various segments of the sample.

The estimated total annual respondent cost burden based on these hours is \$2,307,240. For individuals, the wage rate is \$29.58 per hour based on hourly earnings for employees as reported by the Bureau of Labor Statistics.

**12A. Estimated Annualized Burden Hours**

Type of Respondent	Expected Number of Respondents	Number of Responses per Respondent	Average Burden per Response (in hours)	Total Burden Hours
CPS Household Respondent	78,000	1	0.4167	32,500

**12B. Estimated Annualized Burden Costs**

Type of Respondent	Total Burden Hours	Hourly Wage Rate	Total Respondent Costs (rounded to nearest dollar)
Household Respondent	78,000	\$29.58	\$2,307,240
<b>Total</b>	<b>78,000</b>		<b>\$2,307,240</b>

**13. Estimates of Other Total Annual Cost Burden to Respondents**

There are no direct costs to the respondents other than that of their time to respond.

**14. Annualized Cost to the Federal Government**

We estimate the cost to the government of the CPS program to be \$88 million in fiscal year 2022. The costs are to be borne by the Census Bureau, BLS, and other government agencies, if involved. The estimated cost of including the ASEC questions is \$2 million in fiscal year 2022 and is borne by the Census Bureau and the BLS.

**15. Explanation for Program Changes or Adjustments.**

There is no change in burden.

## **16. Plans for Tabulation, Publication, and Project Time Schedule**

We will conduct the CPS, of which this supplement is a part, during the months of February, March, and April. Processing of this supplement will commence in May. The Public Use file will be released in September. We will publish advance reports based on the CPS data in September. Final reports will follow throughout the middle of the following year.

### ASEC Publications

The following publications are released annually based on the ASEC data:

- a) *Income and Poverty in the United States*
- b) *Health Insurance in the United States*
- c) *Alternative Income Estimates in the United States*
- d) *America's Families and Living Arrangements*
- e) *Geographic Mobility*
- f) *Educational Attainment* (since 1947).
- g) In addition to the Census Bureau publications listed above, BLS has published yearly results from the ASEC supplement (educational attainment, marital history, and work experience) in news releases, articles in the *Monthly Labor Review*, and special bulletins.

## **17. Reason(s) Display of OMB Expiration Date is Inappropriate.**

The ASEC Supplement is administered as part of the CPS monthly interview. However, this supplement (as well as all the CPS supplements) bears an OMB control number and expiration date which is different from the basic CPS interview. The OMB control number for the CPS basic interview is included in the advance letter we give respondents (see Attachment D). Because of these complexities and the anticipated respondent confusion involved with expressing a separate control number and expiration date to respondents for the supplement questions, we request a waiver of the requirement to display the OMB control number and expiration date for the CPS ASEC Supplement.

## **18. Exceptions to the Certification for Paperwork Reduction Act Submissions**

There are no exceptions to the certification.