

January 17, 2020

Dr. Steven Dillingham
Director, U.S. Census Bureau
U.S. Census Bureau
4600 Silver Hill Road
Washington, DC 20233

Dear Dr. Dillingham:

The Maricopa Association of Governments (MAG) is a metropolitan planning organization and council of governments for the Phoenix metropolitan area, representing 27 cities and towns, two counties, three Native nations, and a population of more than 4.6 million people. We have reviewed the Census Bureau's differential privacy proposal and have concerns that the proposed differential privacy methodology would have negative consequences in allocation of federal and state revenue, redistricting of legislative, congressional, and city council districts, and would cause significant issues related to planning for transportation, other types of infrastructure, and, human services.

We have been reviewing the differential privacy proposal, demonstration data, and associated presentations and papers, and will provide comments on the technical problems that have been found in a separate response. Based on our analysis, here are some of our policy-related impacts that are likely to result from the proposed differential privacy proposal:

- Arizona cities and towns receive four types of state shared revenue based on their share of the state's population, which is updated annually based on the decennial census and the Census Bureau's annual population estimates. For 2019, the total state shared revenue distributed was just over \$2 billion, or about \$360 per person. Inaccurate decennial population counts at the place level could cost a municipality millions of dollars over the course of a decade.

For example, the 2010 data released by the Census Bureau as a demonstration of the effect of differential privacy showed the City of Phoenix with a population lower by 0.174 percent. Applying that percentage population loss to their 2018 population estimate would result in a loss of 2,889 people. Phoenix received over \$570 million in state shared revenue this year. A loss of 2,889 people **would result in a loss of nearly \$1 million for this year alone. Applied across an entire decade, this percentage change would result in a substantial loss in revenue.**

- Local governments rely on population-based federal funds to provide critical services to their residents. Reducing a city or town's population in the decennial census would result in a significant loss of revenue.

Phoenix received \$254,653,000 in federal funding for the current fiscal year, or \$153 per capita. Using the example above, Phoenix could see a **loss of nearly \$450,000 to the city for one year. Over the course of a decade, as that loss of population carries over year to year, the city would lose a substantial amount of money needed to provide critical services to its residents.**

- In the past four decades, Arizona cities and towns have spent millions of dollars to have the Census Bureau conduct mid-decade special censuses due to the state's high growth rate. With the recent change in state law, which distributes state shared revenue based on the decennial census and, subsequently, annual Census Bureau population estimates, it was hoped that there would be no need for future mid-decade censuses. However, if place-level data from Census 2020 are obscured to the degree the demonstration suggests, many cities and towns may look to conduct their own mid-decade census, either with the Census Bureau or private consultants at a significant cost to taxpayers.
- MAG and its member agencies are closely partnering with the U.S. Census Bureau to ensure Census 2020 produces an accurate count. MAG and its member agencies are currently investing **\$2 million** in taxpayer dollars on outreach at a regional scale to inform the public of the importance of the census and to encourage them to complete their census form. This does not include the **millions more taxpayer dollars** that individual cities are investing in local outreach efforts. Ensuring a complete and accurate count is a priority for our region so that we have the data we need to make sound policy decisions. The proposed differential privacy methodology runs counter to these efforts.
- Modern transportation and land use models require accurate population data to base the model in a realistic context for stakeholders. Census data are used to estimate, calibrate and validate the characteristics of the population in order to model travel behavior. Transportation forecasting models rely heavily on socioeconomic data input at small geographies. Departures from factual data on these geographies will make it impossible to produce accurate traffic and travel forecasts. Vehicle counts that are done on roadway segments will not correspond to model flows, resulting in unreliable forecasts for project development, planning, and policy analyses. Additionally, if data are at odds with what stakeholders understand to be true due to the application of differential privacy, confidence in the data, model, and decision making will be negatively affected.
- MAG member agencies use block group and tract data for planning public safety funding, infrastructure and transportation improvements, school enrollment, and other local services.

- Arizona cities of a certain size require accurate population data from the decennial census to configure their city council districts. Likewise, an accurate population count is needed by the Arizona Independent Redistricting Commission as they consider potential revisions to Arizona congressional districts.
- If data at the block level are obscured, local governments will not have the ability to challenge inaccurate decennial census results through the Count Question Resolution (CQR) program. Following the 2010 census, some Arizona cities found instances of their population counted in a neighboring city, and they relied on the CQR program for corrections to create an accurate accounting of their population. With obscured population data, making corrections like this will be virtually impossible.
- MAG supports partners like Read On Arizona and the Arizona Department of Education with analytics-based trends that feed into school decision making. Obscured and inaccurate data at a local level would significantly impact analysis and decision making. Data on school-aged population, ethnic and racial characteristics, and income all feed into educational policy at the local, regional, and state levels.

We appreciate your consideration of our comments and concerns regarding the proposed differential privacy methodology. The policy-related impacts from the methodology will adversely affect the MAG region and Arizona. We hope that the U.S. Census Bureau reconsiders the implementation of differential privacy and continues to work toward a complete and accurate count. We look forward to working with you on this important issue.

Sincerely,


 Mayor Mark W. Mitchell
 Chair, MAG Regional Council
 City of Tempe


 Eric J. Anderson
 MAG Executive Director

- c: Members of the Arizona Congressional Delegation
 The Honorable Doug Ducey, Governor of Arizona
 MAG Regional Council
 MAG Management Committee
 Cathy Lacy, Regional Director, Denver Regional Office, U.S. Census Bureau
 Tom Belshe, Executive Director, League of Arizona Cities and Towns
 Jim Chang, Arizona State Demographer, Office of Economic Opportunity