

Congress of the United States
Washington, DC 20515

June 11, 2007

The Honorable Alan B. Mollohan
Chairman
Subcommittee on Commerce,
Justice, Science
Committee on Appropriations
H-309, The Capitol
Washington, D.C. 20515

The Honorable Rodney P. Frelinghuysen
Ranking Member
Subcommittee on Commerce,
Justice, Science
Committee on Appropriations
1016 Longworth House Office Building
Washington, DC 20515

Dear Chairman Mollohan and Ranking Member Frelinghuysen:

We write to request that you fund the Survey of Income and Program Participation (SIPP) at \$45 million in FY 2008. This level of funding would allow the Census Bureau to continue conducting a vital national survey that provides information upon which policymakers and researchers rely to evaluate and make changes to many important federally funded programs.

The SIPP measures intra-year economic and demographic variations in households. For 23 years, it has been the only reliable source of longitudinal government data on households' economic and material well-being, and government program eligibility and participation. The data collected is used by policy analysts to measure program participation and eligibility for food stamps; gain or loss in health insurance; income and poverty changes; welfare program participation; the role of income on employment and its effects on reemployment; and changes in health insurance for children.

The SIPP is also used by federal agencies to modify, and evaluate the effectiveness of, federal and state programs. The Social Security Administration uses SIPP data to estimate retiree income and their projected data of retirement. The U.S. Department of Health and Human Services uses SIPP data to evaluate the impact of welfare reform. The U.S. Department of Agriculture uses SIPP data to measure household food security. SIPP data is also used by the Congressional Budget Office, the Congressional Research Service, and the Government Accountability Office.

The President's FY 2007 budget proposed cutting funding for the SIPP; Congress responded by restoring \$24.5 million. The President's FY 2008 budget request proposes eliminating funding for the SIPP, while proposing \$15.9 million to implement a new, untested survey known as the Dynamics of Economic Well-being System (DEWS). The plan raised concerns among lawmakers and stakeholders who rely on SIPP data to evaluate the effectiveness of federal programs and set policy. Members of the Subcommittee on Information Policy, Census, and National Archives wrote to Census Bureau Director Charles L. Kincannon on May 11, 2007, to express concerns about the

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plan prior to a scheduled oversight hearing to scrutinize the proposal. To their credit, the Commerce Department and the Census Bureau reevaluated the plan and requested a postponement of the hearing to allow them time to formulate a plan for continuing the SIPP and avoiding a data gap in FY 2008.

On May 25, Census Bureau Deputy Director Jay Waite and Commerce Department Under Secretary for Economic Affairs Cynthia Glassman, briefed Oversight and Government Reform and Appropriations Committee staff concerning their decision to halt the development and implementation of DEWS and continue the SIPP. The plan involves using the \$15.9 million requested for DEWS, plus a combination of entitlement and discretionary funding within the President's request for the Bureau, to complete the 2004 SIPP panel with wave 12 and field a new SIPP panel with a sample size of 21,000 respondents in FY 2008-2011. The new 21,000 member panel would be less than half the size of a full panel, which would have a sample size of 45,700. The smaller panel also would collect only core SIPP data and not include topical modules that provide data on special topics of interest to various stakeholders.

We applaud the Administration's decision to reverse course on the SIPP, but we believe that fielding a reduced-sized panel will shortchange stakeholders and the American public. The smaller panel that the Administration envisions would yield useful data on the performance of programs nationally; but it would fail to provide data sufficient to inform state-level evaluations for programs in approximately 32 of the 35 states for which the SIPP now collects data in sufficient quantity. A fully funded SIPP is therefore necessary for policymakers and social scientists to understand the impact of programs nationwide and in the 35 states that rely on it to support critical funding and policy decisions. ***We therefore request that you provide funding sufficient to field the last wave of the 2004 SIPP panel and field a new twelve-wave SIPP panel with a full sample size of 45,700 and topical modules.***

In closing, the SIPP is a critical resource for Congress, federal agencies, state governments, social scientists, and others who seek to ensure good government and quality social programs for our constituencies. It must be funded fully at \$45 million to provide the value we have come to expect from it.

Sincerely,



Wm. Lacy Clay
Member of Congress



Carolyn B. Maloney
Member of Congress

Dennis J. Kucinich
Member of Congress

Charles A. Gonzalez
Member of Congress

Henry A. Waxman
Member of Congress

Edolphus Towns
Member of Congress

Elijah E. Cummings
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Christopher Shays
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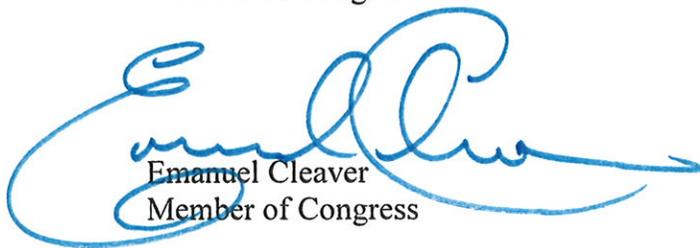
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