

Why the Census Matters to Colorado: Money

Congress uses census data to allocate funds under various federal grant programs to state governments. Many state-funded grant programs also rely on census data. Because the annual population estimates use the decennial census counts as a base, if a community's population is undercounted in the decennial census, these funds get misallocated for an entire decade.

What is a Person Worth?

Eighteen of the largest federal grant programs rely in part on census data to apportion funds. The federal government will provide over \$400 billion in funding to states over the next ten years. In Colorado this is estimated to be \$880 per person, or approximately \$4.27 billion per year!

Hard-To-Count (HTC) Populations

Historically, certain populations have been undercounted. For a variety of reasons, these people are less likely to return their questionnaire, and so they are considered HTC. HTC populations include the following:

- Minorities
- Children
- The Poor
- People in Large Urban Areas
- People in Rural Areas
- Young singles
- Renters

Implications of Undercount on Federal Funding

According to a report by the U.S. Census Monitoring Board, eight major programs accounted for \$145 billion in federal spending (FY 2001), representing 87 percent of the funding allocated using census data:

1. Medicaid
2. Foster Care
3. Rehabilitation Services Basic Support
4. Child Care and Development Block Grant
5. Social Services Block Grant
6. Substance Abuse Prevention and Treatment Block Grant
7. Adoption Assistance
8. Vocational Education Basic Grants

Funding at the State Level

Of course, federal funding is just part of the picture. Many state agencies distribute funds to local areas based on local population counts:

- Gaming revenue
- Cigarette tax fund
- Excise tax revenue
- Conservation Trust Fund
- Local road and street accounts
- Rural development fund
- Motor vehicle highway account fund
- Evaluation of enterprise zone applications
- Establishing priorities for community residential facilities
- Issuance of permits by the alcohol and tobacco commission

Additional Information

U.S. General Accounting Office

- [Formula Grants: Effects of Adjusted Population Counts on Federal Funding to States](#)
- [2000 Census Redistributes Federal Funding Among States](#)