Florida TaxWatch

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FLORIDA TAXWATCH CENSUS PRIMER: AGRICULTURE

JANUARY 2024

Florida has a history of census undercounts. In 1990, Florida had a 2.0 percent undercount.¹ The years to follow experienced improvements, resulting in an undercount of less than one percent in 2010.² The undercount of 2020, however, is Florida's greatest loss in recent decades. One of only six states to experience a "statistically significant" undercount,³ despite numerous publications, public forums, and significant calls for action by Florida TaxWatch from 2010-2020. Florida's census count missed an estimated 750,000 Floridians (3.48 percent).⁴ This undercount most likely resulted in at least one, if not two, seats in the U.S. House of Representatives.

Submitting a decennial census survey—through mail or internet—is an important civic duty for all Florida taxpayers. As the basis of the American Community Survey,⁵ the final census count provides key population insights used by businesses, community leaders, and policymakers to make decisions throughout the decade. A complete census count also secures Florida taxpayers' fair share of federal representation and funding. In 2020, Florida's statistically significant census undercount cost the state one, potentially two, congressional seats and will result in a loss of federal funding ranging from \$11 billion to \$21 billion by the end of the decade.⁶

Although a census undercount impacts the state at large—as described in the Florida TaxWatch economic commentary "Looking Back at Census 2020: What Florida's Business and Community Leaders Need to Know" and nearly two dozen public forums—the consequences felt by businesses varies by industry. An undercount does not "make or break" the success of a business but it does limit its maximum potential.

Florida's agricultural industry is impacted by a loss of federal funding and data limitations as a result of a census undercount. One-third of Florida farms are in rural counties, areas especially susceptible to undercounts.

2 Ibid.

¹ Bureau of Economic and Business Research, "Florida Population: Census Summary 2020," University of Florida, 2021.

^{3 &}quot;Statistically significant" means that the observed effect is likely caused by something more than chance and the range of error is negative, lacking overlap with the true value.

U.S. Census Bureau, "Census Coverage Estimates for People in the United States by State and Census Operations," June 2022. Based upon the estimated percentage, Florida missed 749,528 residents.
The American Community Survey samples millions of residents each month to determine a variety of demographic and economic characteristics, including but not limited to age, race, income,

and living conditions. The sample is applied to the Census count to calculate yearly and five-year estimates for counties, states, and the nation at large

⁶ Florida TaxWatch, "Looking Back at Census 2020: What Florida's Business and Community Leaders Need to Know," July 2022.

Key Findings

In FY 2022, Florida received \$211 million in census-derived funding from 22 financial assistance programs for rural areas, used for local infrastructure and to improve the wellbeing of residents.

Census miscounts lead to less accurate population data, obscuring market opportunities.

Agricultural stakeholders can, and should, start preparing for the 2030 Census now.

As a company that specializes in both agricultural operations and land management, we often use census data to determine the characteristics of the local community and region to assist us in analyzing the highest and best use of a particular property. This vital information allows us to measure need, source grant funding, develop policy, and influence decisions that work in tandem with land owners as well as the larger community.

> Josh Kellam, **President The Garcia Companies**

Consequences of Census Undercount

Data Limitations

Demographic estimates created by the U.S. Census Bureau, businesses, and marketing intelligence agencies often use the census count as a weighted variable⁷ or a population size to which to apply a survey sample. Even allowing for a statistically significant undercount, the census count is the best provider of public population data; however, more complete census counts would make the data even better.

One particularly important estimate that relies upon the census count is the American Community Survey (ACS). The ACS replaced the Census long-form, surveying 3.5 million residents each year to collect their demographic and economic characteristics. The sampled characteristics are applied to population estimates—based on the decennial census counts—to estimate the distribution of characteristics across counties, states, and the nation at large. Businesses within the agriculture industry may use the ACS, or a marketing intelligence agency that uses the ACS, to understand where to find the right workforce and customers for its operations.

The Department of Agriculture uses census data as a weighted variable for the Agriculture Census. The Agriculture Census is a survey that is taken once every five years to illustrate the characteristics of farms state- and nationwide, including data points such as the number of farms by size and type and the values of crops and livestock. The Department of Agriculture also uses census data to plan rural development programs and food assistance programs, including the Supplemental Nutrition Assistance Program and the National School Lunch Program.

Loss of Funding

About 320 federal programs have census-derived federal funding. These programs affect nearly every aspect of a taxpayer's life, including job training, transportation, housing, and economic development. Florida's statistically significant census undercount costs the state about \$2.1 billion per year.⁸

More than one-third of farms are concentrated within rural counties,⁹ and additional farms are located in rural municipalities within urban counties. Census and ACS data are used to determine eligibility determinations, prioritization, and allocation amounts for federal grant and loan programs that support rural development. In FY 2022, 22 census-derived federal programs obligated \$211 million to Florida's rural areas (Table 1). With a complete census count, the state could be eligible for more funding from these programs, among others.

⁷ A statistical component used to make estimates better match the observed population.

⁸ Supra, see footnote 6.

⁹ United States Department of Agriculture, 2017 Census of Agriculture State and County Data, April 11, 2019. Florida TaxWatch used Florida's definition of "rural." A rural county has a population of 75,000 or less or a population of 125,000 or less which is contiguous to a county with a population of 75,000 or less. An area within a county may be considered rural if it is an unincorporated rural city with a population of 25,000 or fewer and an employment base focused on traditional agricultural or resource-based industries. See, §288.0656, Fla. Stat. (2023).

Table 1. In FY 2022, Florida was Obligated \$211 Million from 22 Census-Derived FinancialAssistance Programs for Rural Areas.

Program	Financial Assistance Listing	Obligations in FY 2022	
Payments to Agricultural Experiment Stations Under the Hatch Act	10.203	\$4,115,179	
Rural Business Development Grant	10.351	\$150,000	
Farm Labor Housing Loans and Grants	10.405	\$10,961,922	
Very Low to Moderate Income Housing Loans	10.410	\$71,082,564	
Very Low-Income Housing Repair Loans and Grants	10.417	\$413,117	
Rural Self-Help Housing Technical Assistance	10.420	\$2,474,535	
Rural Rental Assistance Payments (Section 521)	10.427	\$69,144,228	
Rural Rental Housing Guaranteed Loans (Section 538)	10.438	\$1,857,520	
Rural Development Multi-Family Housing Revitalization Demonstration Program	10.447	\$3,021,404	
Cooperative Extension Service	10.500	\$1,506,088	
Water and Waste Disposal Systems for Rural Communities	10.760	\$1,988,001	
Community Facilities Loans and Grants	10.766	\$15,246,892	
Business and Industry Guaranteed Loans	10.768	\$1,448,808	
Rural Electrification Loans and Loan Guarantees	10.850	\$14,646,400	
Rural Energy for America Program	10.868	\$1,258,881	
National Farmworker Jobs Program	17.264	\$4,217,933	
Rural Education	84.358	\$3,040,761	
Telehealth Programs	93.211	\$1,500,000	
State Rural Hospital Flexibility Program	93.241	\$44,638	
Small Rural Hospital Improvement Grant Program	93.301	\$135,918	
Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement Program 93.91		\$2,615,538	
Grants to States for Operation of State Offices of Rural Health	93.913	\$205,177	
	\$211,075,504		

Source: U.S. Department of Treasury, retrieved from USASpending.gov; the Project on Government Oversight (POGO), "Dollars and Demographics: How Census Data Shapes Federal Funding Distribution," September 2023; and Andrew Reamer, "Federal Funding for Rural America: The Role of the Decennial Census," December 2018. The reports from POGO and Reamer were used to identify census-derived funding programs. USASpending.gov was used to determine the amount obligated to Florida; however, the spending data is not always reliable. See, U.S. Government Accountability Office, "Federal Spending Data Quality—Is This As Good As It Gets? Auditors Say It Can Be Better," July 2022

Low Self-Response Rates Threaten the Census Count

Communities are considered hard-to-count when members are difficult to locate, contact, persuade, or interview. Certain characteristics largely associated with hard-to-count communities—unusual and remote addresses, lack of broadband access, and presence of migrant workers—are typical in rural areas, which affect a significant portion of Florida's farms and other agricultural businesses. One way to mitigate the risks of hard-to-count communities is to encourage a high self-response rate, the percentage of persons completing their census surveys without additional prompting from the U.S. Census Bureau. Florida's rural counties that earn a significant farm-related income have a relatively low self-response rate (Table 2). Each of these counties' rates falls below the national average (67.0 percent) and all but one falls below the state's self-response rate (63.8 percent).¹⁰

County	Number of Farms	Total Income from Farm-Related Sources	Self-Response Rate (2020)	Percent Change in Self- Response Rate Since 2010
Bradford	80	\$730,000	56.0%	-3%
Calhoun	67	\$4,602,000	47.0%	-12%
Columbia	197	\$2,544,000	57.6%	1%
DeSoto	172	\$5,415,000	47.6%	-11%
Gadsden	112	\$1,288,000	57.2%	1%
Gilchrist	110	\$1,668,000	60.9%	8%
Glades	68	\$1,534,000	33.6%	-19%
Hamilton	83	\$1,461,000	46.0%	2%
Hardee	219	\$9,027,000	45.8%	-10%
Hendry	106	\$6,322,000	44.5%	-4%
Highlands	214	\$7,207,000	59.2%	0%
Holmes	168	\$938,000	52.0%	-9%
Jackson	342	\$5,503,000	57.7%	4%
Jefferson	159	\$4,447,000	53.1%	-3%
Lafayette	77	\$1,528,000	46.2%	0%
Levy	260	\$16,675,000	55.2%	-1%
Liberty	29	\$2,590,000	32.9%	-28%
Madison	233	\$3,630,000	47.7%	-8%
Nassau	77	\$2,707,000	63.4%	10%
Okeechobee	148	\$4,923,000	48.5%	-8%
Putnam	128	\$1,216,000	52.9%	2%
Suwannee	339	\$4,025,000	57.6%	1%
Taylor	42	\$1,072,000	40.6%	-14%
Union	58	\$1,653,000	54.6%	-3%
Wakulla	39	\$749,000	64.9%	6%
Walton	152	\$4,457,000	33.9%	-41%

Table 2. Florida's Rural Counties That Earn a Significant Farm-Related Income Had Low Self-Response Rates During the 2020 Census, With Some Experiencing Declines Since 2010.

Source: United States Department of Agriculture (USDA), 2017 Census of Agriculture State and County Data, April 2019; and U.S. Census Bureau, Decennial Self-Response Rates (2010, 2020). Self-response rates are based upon invited housing units, not all housing units. Included counties are considered "rural" by Florida's definition and earn \$500,000 or more in total income from farm-related sources.

¹⁰ U.S. Census Bureau, Decennial Self-Response Rates (2010, 2020). Note, these response rates only reflect housing units sent an invitation to complete the Census, which differ from self-response rates that include all housing units.

Looking Ahead

An incomplete census count does not make or break an industry, but it does beg the question: what if we could do better? Securing the state's fair amount of federal, census-derived funding and ensuring access to the best data bring Florida and its businesses closer to an even stronger economy. To support the continued success of Florida's agriculture industry, and to increase its potential to grow, stakeholders should consider the following as the 2030 Census approaches:

- 1. Stay up to date on census-related issues. The Florida TaxWatch Census Institute provides a resource hub and engagement opportunities to help you stay current on census related issues and connect with organizations that can help your business promote a complete census count.
- Encourage your employees to complete their census surveys. Act as a trusted voice to your employees and encourage them to complete surveys from the U.S. Census Bureau. All information is private and cannot be seen by other government agencies.
- **3.** Lend your voice. Use your voice to encourage involvement by other local businesses and your government officials. Awareness campaigns and increased governmental funding bring the state closer to a complete census count. Consider amplifying your voice by joining or creating a Complete Count Committee.¹¹
- 4. Invest in your community. Whether directly or through philanthropic organizations, invest in grassroots efforts that help residents complete their census surveys. Even if 2030 is a few years away, an early investment in grassroots efforts allows time to organize and develop effective plans to support a complete census count.

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¹¹ As described by the U.S. Census Bureau, "Complete Count Committees (CCC) are volunteer committees established by tribal, state, and local governments and community leaders or organizations to increase awareness and motivate residents to respond to the [2030] Census." See, U.S. Census Bureau, "2020 Census Complete Count Committee Guide."