CENSUS FUNDER COLLABORATIVE

Why the 2030 Census Matters for Economic Development

Every year, billions of federal dollars flow into communities to support small businesses, job training, workforce development, and local economic growth. These investments don't arrive at random—they are guided by census data. Without an accurate count, rural communities, small businesses, and working families lose their rightful share of the federal resources they need to thrive.

What's the Census?

Every ten years, the U.S. Census Bureau counts every person living in the United States—a constitutional requirement that shapes our democracy and public spending for the next decade. The census determines political representation, but it also serves as the statistical backbone for funding decisions in every policy arena, including economic development. **Each year, census data, together with the American Community Survey, is used to direct over $2 trillion in federal spending and helps ensure that taxpayer dollars are spent wisely.** Alongside the decennial census, the annual American Community Survey (ACS) provides ongoing demographic data that determines where capital flows, which communities qualify for key financing programs, and what data businesses and policymakers use to make economic development decisions.

Why It Matters for Economic Development

Directs Federal Investments for Economic Development

Census and ACS data help determine how the federal government allocates more than $56 billion annually in funding for manufacturing programs alone. Across all economic development programs, billions more flow through census-guided formulas—from the USDA's Business and Industry Loans ($2.3 billion) to Community Development Block Grants ($2.3 billion) to Workforce Innovation and Opportunity Act (WIOA) Dislocated Worker Formula Grants ($1 billion). These programs reach communities in every state and region: from Mississippi Delta towns and Appalachian counties to tribal communities in the Southwest and post-industrial cities in the Midwest.

Regional and state funds are also guided by census data. For example, The Appalachian Regional Commission—which serves communities across 13 mostly-rural states—directs millions of dollars in economic development investments guided by census data, including $246 million for the Appalachian Development Highway System and $209 million for area-wide development programs. When residents go uncounted, these communities receive fewer resources, making it harder to retain businesses, create jobs, and attract new investment.

Accurate Census Data:

Directs billions in federal economic development funding to communities

Expands access to capital for small and minority-owned businesses

Expands Capital for Small and Minority-Owned Enterprises

The New Market Tax Credit—a critical tool for attracting private investment into distressed areas—uses census tract data to determine community eligibility. Communities that are undercounted may fail to qualify for this financing, leaving small and medium-sized businesses without access to the capital they need to launch and grow.

The Small Business Development Center Program uses ACS data to connect business owners with technical assistance and financing resources. The SBA's $151 million Microloan Program provides small loans to entrepreneurs—particularly those in underserved communities—using census-derived data to target outreach. And the Census Bureau's own County Business Patterns database and OnTheMap tool, which businesses and economic planners use daily to understand workforce demographics and market opportunities, are built directly on census data.

Builds a Stronger Workforce—From Job Training to Reentry Programs

Communities can only invest in their workforce when they know who lives there and what skills they need. Census and ACS data power workforce development programs across the country, including:

- WIOA job training grants provide millions of dollars for dislocated workers in rural and urban areas alike
- H-1B Job Training Grants ($187 million) preparing workers for in-demand industries
- YouthBuild ($97 million) providing education and job training to at-risk young people in low-income communities
- The National Farmworker Jobs Program ($87 million) connecting agricultural workers—many of them in rural communities of color—to stable employment and training

The census also supports economic opportunity for returning citizens: the Reentry Employment Opportunities program received $157 million in federal funding to help formerly incarcerated people gain stable employment, using census data to direct services to the communities that need them most.

Anchors the Data Ecosystem That Guides Economic Strategy

Federal funding formulas are only one piece of the picture. Effective economic development depends on a rich ecosystem of data—to understand local conditions, identify opportunities, and target investment. Census data is the foundation that makes that entire ecosystem work.

Census data provides the most granular, reliable picture of who lives where—covering age, race, education, income, poverty, housing, and commuting patterns down to the census tract and block level. This hyper-local precision is not incidental: Opportunity Zones, one of the most significant federal economic development tools of the past decade, were defined using census poverty and income thresholds.

Census data also powers a suite of tools that businesses, planners, and policymakers rely on daily, everything from job and industry concentrations to commute patterns—all built on and calibrated against census counts. An inaccurate census degrades the reliability of every downstream tool.

Finally, census data provides the standardized benchmarks that allow apples-to-apples comparisons across cities, counties, and states—a critical function for competitive grant applications, private site selection decisions, and policy evaluation. When communities are undercounted, they don't just lose direct funding; they lose the accurate data picture that positions them to compete for the next round of investment.

An Undercount Means a Decade of Lost Economic Opportunity

The communities most likely to be missed in the census are often the same ones that depend most on census-guided economic development programs. The 2020 Census undercounted Black people by an estimated 3.3 percent and Hispanic people by nearly 5 percent—rates significantly higher than for white, non-Hispanic residents. More than one in three Black and Latino residents live in hard-to-count census tracts. Immigrant communities—a growing share of the entrepreneurial and manufacturing workforce in both urban and rural America—face barriers including language, distrust of government, and housing instability that make them especially difficult to count.

Rural communities across the country also face undercount risks driven by limited broadband access and the higher cost and complexity of field outreach in dispersed geographies. When these communities—rural and urban, in red states and blue—are undercounted, they lose the economic development resources that were designed precisely to support them. A miscount in 2030 means a decade of misdirected investment.

Accurate Census Data:

Powers workforce development programs that connect workers to in-demand jobs

Provides planners and policymakers with the data they need to strengthen local economies

Our Path to a Complete 2030 Count

The 2030 Census is being planned right now: how the Census Bureau will reach undercounted populations, what resources will be available, and how data will be collected.

The federal government will not provide the resources for comprehensive community outreach. That's where philanthropy comes in. We have a proven model from 2020, when foundations came together through the Census Funder Collaborative to raise more than $120 million for the national effort and an additional $75 million from state funders for activities in their state.

Philanthropic investment made a measurable difference: **"Civil society saved the 2020 Census."** That's the conclusion drawn by one evaluation. The infrastructure built for 2020 continues working today—supporting broadband access, civic engagement, and other community campaigns. Everyone counts, and together we showed we can make sure everyone is counted.

Join Us!

The Census Funder Collaborative is actively welcoming economic development funders.

You can:

- **Provide funding directly** to trusted community organizations doing census outreach
- **Leverage your convening power** to bring together stakeholders for 2030 planning
- **Help your colleagues understand** the importance of census data to your work
- **Contribute to CFC's pooled fund** to support coordinated national and state efforts

When we count every person, we strengthen the economy for all families.

Ready to Learn More?

Contact the Census Funder Collaborative at **info@censusfunders.org** to explore how your foundation can support a fair and accurate 2030 Census.

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