

The Social Security Administration and the Bureau of the Census

Anne C. Jean, Bureau of the Census

In preparing remarks for this panel discussion on partnerships between statistical agencies and administrative agencies, two perspectives came to mind.

The first was the historical view, reflecting over thirty years to the formal beginnings of a successful and mutually beneficial relationship between the Social Security Administration and the Census Bureau. In a time of rapid change, shifting corporate priorities, and reduced budgets, we were fortunate to have a thirty-year relationship that thrived and grew stronger with each passing year. The longevity of our relationship alone seemed to be worthy of study.

A second perspective is inspired by the theme of this year's JSM program: "Shaping Statistics for Success in the 21st Century." Looking toward the future, we expect the Federal statistical community will face increased challenges. These challenges come from a society with increased needs for timely data at lower cost. Challenges come from new technology, as the Internet, for example, is already transforming the way both agencies conduct business. And challenges come from within the Federal government itself, as new legislation may redefine the way Federal statistical agencies share information.

So, I would like to begin first with the historical perspective--how the partnership between the Social Security Administration and the Census Bureau began.

Over thirty years ago, the Social Security Administration and the Census Bureau recognized that an exchange of statistical information and services could be of benefit to both agencies and to the public. At that time, the focus was primarily on the exchange of information. Our respective research programs often required similar types of information--demographic information such as age, race, and sex, or information on earnings and benefits. Both agencies agreed that there could be three potential benefits to establishing a research partnership.

- First, if the two agencies could agree on an exchange of information for statistical uses, we could achieve a reduction in respondent burden.
- Second, exchanges of data, in lieu of separate data collection efforts, could also reduce government costs for the collection and processing of data.
- Third, research projects could benefit from matched data sets involving information from Census surveys and administrative records information maintained by the Social Security Administration.

To ensure that data exchanges would take place within clearly understood policies that conformed to the appropriate mission and legislation governing both agencies, a formal written agreement was established between the two agencies in 1967. This agreement remains a cornerstone of our relationship. The agreement formally established the conditions that have governed our research partnership over the last thirty years.

The conditions established for data exchanges made it possible for the Social Security Administration and the Census Bureau to embark on a partnership that has survived and grown. While there were many changes of administration and leadership at both agencies, the partnership continued, and new programs for data exchanges were introduced. In 1993, we strengthened the partnership by a formal agreement that amended the original 1967 agreement. It established additional standards for security and administrative procedures, as well as reestablished the conditions outlined in 1967.

Three key features have shaped this partnership and have made it work.

- The formal written agreements have provided our agencies with the guidelines and tools we

both need to make the partnership a success.

- Personnel at both agencies have had the vision and energy to identify new cooperative projects. These projects have revitalized the relationship and broadened it.
- There are tangible results. Responsible researchers have demonstrated the value of data exchanges through their contributions to a wide range of issues, such as poverty among the elderly and transitions from welfare to work.

Our research partnership rests on three solid pillars: the formal agreements, the breadth of the projects undertaken, and the value of cooperative research projects in helping the nation understand social conditions and shape public policy.

The agreements require that both agencies maintain the confidentiality of individual respondents' data according to laws established for each agency. Title 13 of the United States Code governs the Census Bureau, while the Social Security Administration follows the provisions of Title 42, Section 1306. If penalties or regulations differ between the two agencies, the more restrictive provision applies. Researchers at the Social Security Administration are trained on Census confidentiality requirements and take the Census oath of office. They are obliged to protect the data and are subject to the penalties of Title 13 if they engage in unlawful disclosure.

Our agreements require that the principle of "functional separation" be maintained. This means that information collected from respondents for statistical purposes cannot be used for administrative purposes. For example, the Social Security Administration cannot use information that respondents provide in a statistical study for enforcement of regulations.

Our confidence and trust that the Social Security Administration abides by this principle of functional separation is secured by the corporate and physical separation of the Social Security Administration's Office of Research, Evaluation, and Statistics. This research arm of the Social Security Administration is our partner, and

that research office is functionally and physically separate from other offices that administer Social Security Administration programs.

Both agencies establish guidelines for the physical security and safeguarding of data, and we inspect one another's facilities for conformance to standards.

Each cooperative research effort between the two agencies is supported by a separate memorandum of understanding that outlines the terms of the agreement. There is a minimum of ten topics or conditions that must be adequately addressed by each memorandum of understanding. These cover the purpose, legal authority, retention dates, security arrangements, and so forth. At the Census Bureau, these agreements must be signed by the Associate Director.

The formal written agreements provide each agency with the assurance that privacy rights of individual respondents will be respected.

The Census Bureau has placed a growing number of programs within the framework of these formal agreements. One reason for the broad support for the Social Security Administration-Census research partnership is the diversity of programs that participate and depend upon the relationship. At the Census Bureau, these include decennial programs, population estimates programs, demographic surveys, and business and economic programs. This encompasses almost all major areas of the Census Bureau. The following describes how some of these programs benefit from participating in a research partnership with the Social Security Administration.

The population estimates program makes use of Social Security Administration data in preparing intercensal estimates of population for States, counties, and subcounty areas by age, sex, race, and Hispanic origin. Administrative records, maintained in the Social Security Administration's NUMIDENT file, are the source for the demographic information. The Social Security Administration has allowed the Census Bureau to use a 20-percent sample from the NUMIDENT file for this project. The NUMIDENT file is the repository for information supplied by persons who are requesting a Social Security number, reporting a name change, or

requesting a new Social Security card.

The NUMIDENT file is also used to develop the sampling frames for the Surveys of Minority-Owned Business Enterprises and Women-Owned Businesses. From information provided to the Census Bureau by the Internal Revenue Service, the Census Bureau provides Social Security numbers of business owners to the Social Security Administration. The Social Security Administration then matches the Social Security numbers to the NUMIDENT file and provides the Census Bureau with race/ethnicity, sex, year, and name information.

Two demographic surveys, the Survey of Income and Program Participation and the Current Population Survey, benefit from linking survey data with earnings data maintained by the Social Security Administration. Since earnings data are under the Internal Revenue Service's protection, the Census Bureau enters into separate agreements with the IRS to allow the Social Security Administration to provide the Census Bureau with this information. The matched files from the demographic surveys are a rich source of information for researchers. For example, the matched files give researchers the ability to examine elderly poverty from a lifetime perspective.

The Census Bureau has used NUMIDENT files in testing to prepare for the year 2000 Decennial Census.

While the Census Bureau benefits greatly from our partnership with the Social Security Administration, the relationship is mutual. Another presentation will highlight research undertaken by the Social Security Administration that is made possible by data exchanges.

Finally, a word about future challenges:

Both agencies have been affected by downsizing. A question that will remain with us for the foreseeable future is how administrative agencies like the Social Security Administration will be able to continue providing the computer staffing and other resources necessary to provide the Census Bureau with the files we need.

Privacy concerns will continue to exercise a moderating influence on our enthusiasm for data-sharing activities. The Census Bureau actively monitors public perceptions of privacy through a longitudinal survey designed to measure attitudes towards administrative records use in research programs. Survey results to date indicate that our relationship with the Social Security Administration is more widely accepted than relationships with other Federal agencies. We have learned, however, that the public is very skeptical about our assurances of confidentiality. We are planning for another privacy survey in 1998. This survey will include households that are part of our Dress Rehearsal for Census 2000.

Finally, proposed legislation to share data among statistical agencies may have an effect on our relationships with administrative agencies. This is a topic that will be expanded upon during the panel discussion.

On a positive note, the future may hold more opportunities for sharing services. Thirty years ago, when the Census Bureau and the Social Security Administration joined in a research partnership, leaders at both agencies envisioned a sharing of services as well as data. We have learned much about research partnerships involving shared data. But new types of partnerships could be established, wherein data exchanges are supplemented by a sharing of expertise. The Census Bureau, together with administrative agencies at the Federal and state levels, could benefit from new types of partnerships.