4. Reservations

4.1. The Secretary of the Teasury expressly reserves the right to accept or reject any or all tenders in whole or in part, to allot more or less than the amount of securties specified in Section 1, and to make different percentage allotments to various classes of applicants when the Secretary considers it in the public interest. The Secretary's action under this Section is final.

5. Payment and Delivery

5.1.Settlement for allotted securities must be made at the Federal Reserve Bank or Branch or at the Bureau of the Public Debt, wherever the tender was submitted. Settlement on securities allotted to institutional investors and to others whose tenders are accompanied by a payment guarantee as provided in Section 3.5., must be made or completed on or before Friday, October 31, 1980. Payment in full must accompany tenders submitted by all other investors. Payment must be in cash; in other funds immediately available to the Teasury; in Treasury bills, notes or bonds (with all coupons detached) maturing on or before the settlement date but which are not overdue as defined in the general regulations governing United States securities; or by check drawn to the order of the institution to which the tender was submitted, which must be received from institutional investors no later than Tuesday, October 28, 1980. When payment has been submitted with the tender and the purchase price of allotted securities is over par, settlement for the premium must be completed timely, as specified in the preceding sentence. When payment has been submitted with the tender and the purchase price is under par, the discount will be remitted to the bidder. Payment will not be considered complete where registered securities are requested if the appropriate identifying number as required on tax returns and other documents submitted to the Internal Revenue Service (an individual's social security number or an employer identification number) is not furnished. When payment is made in securities, a cash adjustment will be made to or required of the bidder for any difference between the face amount of securities presented and the amount payable on the securities allotted.

5.2. In every case where full payment has not been completed on time, an amount of up to 5 percent of the face amount of securities allotted, shall, at the discretion of the Secretary of the Treasury, be forfeited to the United States.

5.3. Registered securities tendered in payment for allotted securities are not required to be assigned if the new securities are to be registered in the same names and forms as appear in the registrations or assignments of the securities surrendered. When the new securities are to be registered in names and forms different from those in the inscriptions or assignments of the securities presented, the assignment should be to "The Secretary of the Treasury for (securities offered by this circular) in the name of (name and taxpayer identifying number)." If new securities in coupon form are desired, the assignment should be to "The Secretary of the Treasury for coupon (securities offered by this circular) to be delivered to (name and address)." Specific instructions for the issuance and delivery of the new securities, signed by the owner or authorized representative, must accompany the securities presented. Securities tendered in payment should be surrendered to the Federal Reserve Bank or Branch or to the Bureau of the Public Debt, Washington, D.C. 20226. The securities must be delivered at the expense and risk of the holder.

5.4. If bearer securities are not ready for delivery on the settlement date, purchasers may elect to receive interim certificates. These certificates shall be issued in bearer form and shall be exchangeable for definitive securities of this issue, when such securities are available, at any Federal Reserve Bank or Branch or at the Bureau of the Public Debt, Washington, D.C. 20226. The interim certificates must be returned at the risk and expense of the holder.

5.5. Delivery of securities in registered form will be made after the requested form of registration has been validated, the registered interest account has been established, and the securities have been inscribed.

6. General Provisions

6.1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive tenders, to make allotments as directed by the Secretary of the Treasury, to issue such notices as may be necessary, to receive payment for and make delivery of securities on full-paid allotments, and to issue interim certificates pending delivery of the definitive securities.

6.2. The Secretary of the Treasury may at any time issue supplemental or amendatory rules and regulations governing the offering. Public announcement of such changes will be promptly provided.

Supplementary Statement: The announcement set forth above does not meet the Department's criteria for significant regulations and, accordingly, may be published without compliance with the Departmental procedures applicable to such regulations.

Paul H. Taylor,

Fiscal Assistant Secretary.

[FR Doc. 80-32748 Filed 10-19-80; 8:45 am]

BILLING CODE 4810-40-M

Sunshine Act Meetings

Federal Register
Vol. 45, No. 204
Monday, October 20, 1980

This section of the FEDERAL REGISTER contains notices of meetings published under the "Government in the Sunshine Act" (Pub. L. 94-409) 5 U.S.C. 552b(e)(3).

CONTENTS

1

FEDERAL ENERGY REGULATORY COMMISSION.

October 15, 1980.

TIME AND DATE: 10 a.m., October 22, 1980.

PLACE: Room 9306, 825 North Capitol Street NE., Washington, D.C. 20426.

STATUS: Open.

MATTERS TO BE CONSIDERED: Agenda.

Note.—Items listed on the agenda may be deleted without further notice.

CONTACT PERSON FOR MORE INFORMATION: Kenneth F. Plumb, Secretary; telephone (202) 357-8400.

This is a list of matters to be considered by the Commission. It does not include a listing of all papers relevant to the items on the agenda; however, all public documents may be examined in the Division of Public Information.

Power Agenda—466th Meeting, October 22, 1980, Regular Meeting (10 a.m.)

CAP-1. Project No. 2811, Klickitat County Public Utility District No. 1.
CAP-2. Docket No. ER80-508, Boston Edison Co.
CAP-3. Docket No. RE80-10, Wisconsin Power & Light Co.
CAP-4. Docket No. ER80-113, Central Telephone & Utilities Corp.

Miscellaneous Agenda—466th Meeting, October 22, 1980, Regular Meeting

CAM-1. Docket No. QF80-19, Cranston Print Works Co.
CAM-2. Docket No. QF80-21, French Paper Co.
CAM-3. Docket No. QF80-15, Glen L. Custer.

Gas Agenda—466th Meeting, October 22, 1980, Regular Meeting

CAG-1. Docket No. RP81-1-000, Michigan Wisconsin Pipeline Co.
CAG-2. Docket No. RP80-144, Commercial Pipeline Co., Inc.
CAG-3. Docket No. CP80-242, United Gas Pipe Line Co.
CAG-4. Docket No. CI75-21, Perry R. Bass, et al.; Docket No. CI74-372, Shell Oil Co.; Docket No. CI72-878, Energy Resources, Inc.; Docket No. CI75-456, Exchange Oil and Gas Corp.; Docket No. CS80-122, Ann B. Little; Docket No. CS80-152, HCW Income Properties; Docket No. CS80-176, H&H Gas Co.; Docket No. CI75-221, Arco Oil & Gas Co., a division of Atlantic Richfield Co.; Docket No. CI69-420, Conoco, Inc.; Docket No. CI79-97, Phillips Petroleum Co.; Docket Nos. CI65-1363 and CI65-1369, Exxon Corp.; Docket No. CI66-106, Pennzoil Producing Co.; Docket No. CI68-1333, Marathon Oil Co.; Docket No. CI71-750, Bass Enterprises Production Co.; Docket No. CI64-1244, Exxon Corp. (operator), et al.
CAG-5. Docket No. CI80-436, Texaco, Inc.
CAG-6. Docket No. CP80-388, Tennessee Gas Pipeline Co.
CAG-7. Docket No. CP80-251, Michigan Wisconsin Pipe Line Co.
CAG-8. Docket No. CP80-375, Consolidated Gas Supply Corp.; Northern Natural Gas Co., Division of Internorth, Inc.; Michigan Wisconsin Pipe Line Co. and El Paso Natural Gas Co.
CAG-9. Docket No. CP80-384, Michigan Wisconsin Pipe Line Co.
CAG-10. Docket No. CP80-359, United Gas Pipe Line Co.
CAG-11. Docket No. CP80-345, Midwestern Gas Transmission Co.
CAG-12. Docket No. CP80-370, Columbia Gas Transmission Corp. and Equitable Gas Co.
CAG-13. Docket No. CP80-482, Northern Natural Gas Co., division of Internorth, Inc.
CAG-14. Docket No. CP80-491, Northern Natural Gas Co.
CAG-15. Docket No. CP79-19, Mountain Fuel Supply Co.

Power Agenda—466th Meeting, October 22, 1980, Regular Meeting

I. Licensed Project Matters

P-1. Reserved.

II. Electric Rate Matters

ER-1. Docket No. ER80-434, Duke Power Co.
ER-2. Docket Nos. ER80-379 and ER80-380, Utah Power & Light Co., Deseret Generation & Transmission Cooperative.
ER-3. Docket No. ER80-329, Central Power & Light Co.
ER-4. (A) Docket No. EF80-2011, Bonneville Power Administration (system rates); (B) Docket No. E-7631 and E-7633, City of Cleveland, Ohio v. Cleveland Electric Illuminating Co.; Docket No. E-7713, City of Cleveland, Ohio.
ER-5. Docket Nos. E-7631 and E-7633, City of Cleveland, Ohio v. Cleveland Electric Illuminating Co.; Docket No. E-7713, City of Cleveland, Ohio.
ER-6. Docket Nos. ER77-488 and ER78-520 (phase II), El Paso Electric Co.

Miscellaneous Agenda—466th Meeting, October 22, 1980, Regular Meeting

M-1. Docket No. RM80-65, exemption from all or part of part I of the Federal power act of small hydroelectric power projects with an installed capacity of 5 megawatts or less.
M-2. Docket No. RM80- , eligibility, rate and exemptions of qualifying and utility-owned geothermal small power production facilities.
M-3. Reserved.
M-4. Reserved.
M-5. Docket No. RM80- , revision to the regulations governing preservation of records.
M-6. Docket No. RM80-11, statement of policy on distributor access to Outer Continental Shelf Gas
M-7. (A) Docket No. RM80-50, high-cost natural gas: Production enhancement procedures; (B) Docket No. RM80-14, final regulations under section 105 and 106(b) of the Natural Gas Policy Act of 1978; (C) Docket No. RM80-21, regulations under section 110, 105 and 106(b) of the Natural Gas Policy Act of 1978; (D) Docket No. SA80-90, American Petrofina Co. of Texas, et al.
M-8. Docket No. RM79-76 (Texas—1), high-cost gas produced from tight formations.
M-9. Docket No. GP81- , U.S. Geological Survey—New Mexico, section 108 NGPA determination, El Paso Natural Gas Co., Huerfanito unit No. 75 well, USGS docket No. NM4274-79, FERC No. JD80-36472.
M-10. Docket No. GP80-42, Sea Robin Pipeline Co.

Gas Agenda—466th Meeting, October 22, 1980, Regular Meeting

I. Pipeline Rate Matters

RP-1. Docket Nos. RP75-105 and RP76-94 (offshore plant depreciation rate), Columbia Gulf Transmission Co.

II. Producer Matters

CI-1. Reserved.

III. Pipeline Certificate Matters

CP-1. Reserved.

Kenneth F. Plumb,
Secretary.

[S-1917-80 Filed 10-16-80; 9:37 am]

BILLING CODE 6450-85-M

2

FEDERAL HOME LOAN BANK BOARD.

TIME AND DATE: 9:30 a.m., October 23, 1980.

PLACE: 1700 G Street, NW., sixth floor, Washington, D.C.

STATUS: Open meeting.

CONTACT PERSON FOR MORE INFORMATION: Mr. Marshall (202–377–6677).

MATTERS TO BE CONSIDERED:

Application for Bank Membership—The Elmira Savings Bank, Elmira, N.Y.
Service Corporation Activity—Cragin Federal Savings & Loan Association, Chicago, Ill.
Preliminary Application for Conversion to a Federal Mutual Charter—Columbia Banking Savings & Loan Association, Rochester, N.Y.
Preliminary Application for Conversion to a Federal Mutual Charter—Sunnyside Savings & Loan Association, Long Island City, N.Y.
Preliminary Application for Conversion to a Federal Mutual Charter—Schenectady Savings & Loan Association, Schenectady, N.Y.
Preliminary Application for Conversion to a Federal Mutual Charter—Cross-County Savings & Loan Association, Middle Village, N.Y.
Preliminary Application for Conversion to a Federal Mutual Charter—Clover Savings & Loan Association, Camden, N.J. (now located in Pennsuken, N.J.)
Application for Modification of Dividend Restriction—Sunwood Corporation, Parker, Colo. and Sun Savings & Loan Association, Loveland, Colo.

No. 408, October 16, 1980.

[S-1918-80 Filed 16-10-80; 11:03 am]

BILLING CODE 6720-01-M

3

FEDERAL MARITIME COMMISSION.

TIME AND DATE: 2:30 p.m., October 23, 1980.

PLACE: Hearing Room One, 1100 L Street NW., Washington, D.C. 20573.

STATUS: Open.

MATTER TO BE CONSIDERED: Processing of section 15 agreements.

CONTACT PERSON FOR MORE INFORMATION: Francis C. Hurney, Secretary (202) 523–5725.

[S-1919-80 Filed 10-16-80; 11:32 am]

BILLING CODE 6730-01-M

4

FEDERAL TRADE COMMISSION.

TIME AND DATE: 10 a.m., Thursday, October 23, 1980.

PLACE:
Room 432, Federal Trade Commission Building, Sixth Street and Pennsylvania Avenue NW., Washington, D.C. 20580.

STATUS: Open.

MATTERS TO BE CONSIDERED:
Presentation on advertising approval process by the Association of National Advertisers and the American Association of Advertising Agencies, with question and answer period to follow.

CONTACT PERSON FOR MORE INFORMATION: Pamela F. Richard, Office of Public Information: (202) 523–3830; recorded message: (202) 523–3806.

[S-1922-80 Filed 10-16-80; 2:41 pm]

BILLING CODE 6750-01-M

5

FEDERAL TRADE COMMISSION.

TIME AND DATE: 2 p.m., Friday, October 24, 1980.

PLACE: Room 532, (open); Room 540 (closed) Federal Trade Commission Building, Sixth Street and Pennsylvania Avenue NW., Washington, D.C. 20508.

STATUS: Parts of this meeting will be open to the public. The rest of the meeting will be closed to the public.

MATTERS TO BE CONSIDERED: Portions open to public:

(1) Oral Argument in Beltone Electronics Corporation, et al., Docket 8928.

Portions closed to the Public:

(2) Executive Session to discuss Oral Agument in Beltone Electronics Corporation, et al., Docket 8928.

CONTACT PERSON FOR MORE INFORMATION: Pamela F. Richard, Office of Public Information: (202) 523–3830; recorded message: (202) 523–3806.

[S-1923-80 Filed 10-16-80; 2:41 pm]

BILLING CODE 6760-01-M

6

INTERNATIONAL TRADE COMMISSION.

TIME AND DATE: 10 a.m., Thursday, August 23, 1980.

PLACE: Room 117, 701 E Street N.W., Washington, D.C. 20436.

STATUS: Emergency meeting—less than 10 days prior notice. Open to the public.

MATTERS TO BE CONSIDERED:
1. Investigation 337–TA–89 (Copper Rod)—vote.

CONTACT PERSON FOR MORE INFORMATION: Kenneth R. Mason, Secretary (202) 523–0161.

[S-1921-80 Filed 10-16-80; 1:57 pm]

BILLING CODE 7020-02-M

7

[USITC SK-80-48A]

INTERNATIONAL TRADE COMMISSION.

"FEDERAL REGISTER" CITATION OF PREVIOUS ANNOUNCEMENT: 45 FR 67827, October 14, 1980.

PREVIOUSLY ANNOUNCED TIME AND DATE OF THE MEETING: 10 a.m., Tuesday, October 21, 1980.

CHANGES IN THE MEETING: Additional item added to the agenda. In deliberations held Thursday, October 16, 1980, the United States International Trade Commission, in conformity with 19 CFR 201.37(b), voted, by unanimous consent, to add the following item to its agenda for the meeting to be held on Tuesday, October 21, 1980:

7. Investigation 337–TA–89 (Copper Rod)—Vote.

Commissioners Alberger, Calhoun, Moore, and Stern determined by unanimous consent that Commission business requires the change in subject matter by addition of the agenda item, and affirmed that no earlier announcement of the addition to the agenda was possible, and directed the issuance of this notice at the earliest practicable time. Commissioner Bedell was not present for the vote.

CONTACT PERSON FOR MORE INFORMATION: Kenneth R. Mason, Secretary (202) 523–0161.

[S-1920-80 Filed 10-16-80; 1:54 pm]

BILLING CODE 7020-02-M

federal register

Monday
October 20, 1980

Part II

Department of the Interior

Fish and Wildlife Service

Endangered and Threatened Wildlife and Plants; Determination of Hudsonia Montana To Be a Threatened Species, With Critical Habitat

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

50 CFR Part 17

Endangered and Threatened Wildlife and Plants; Determination of Hudsonia Montana To Be a Threatened Species, With Critical Habitat

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Final rule.

SUMMARY: The Service determines *Hudsonia montana* (mountain golden-heather) to be a Threatened species and determines its Critical Habitat under the authority contained in the Endangered Species Act. This plant occurs in North Carolina solely on public lands administered by the U.S. Forest Service. The plant is threatened by human trampling and other factors. This determination of *Hudsonia montana* to be a Threatened species will implement the protection provided by the Endangered Species Act of 1973, as amended.

DATES: This rule becomes effective on November 19, 1980.

ADDRESSES: Questions concerning this action may be addressed to the Director (FWS/OES), U.S. Fish and Wildlife Service, Department of the Interior, Washington, D.C. 20240.

FOR FURTHER INFORMATION CONTACT: Mr. John L. Spinks Jr., Chief, Office of Endangered Species, U.S. Fish and Wildlife Service, Department of the Interior, Washington, D.C. 20240, 703/235-2771.

SUPPLEMENTARY INFORMATION: *Hudsonia montana* (mountain golden-heather) was first discovered on the summit of Table Rock, North Carolina in 1816, by Thomas Nuttall. Today all known populations of the species occur within an eight kilometer radius of Table Rock, and all are on public lands administered by the U.S. Forest Service. The plant is a low perennial shrub with needle-leaves and yellow flowers which measure about two centimeters across. The plants occur on open wind-swept rock ledges. The continued existence of this plant and the fragile plant community in which it occurs are threatened by trampling. This rule determines *Hudsonia montana* to be a Threatened species and implements the protection provided by the Endangered Species Act. The following paragraphs further discuss the actions to date involving this plant, the threats to the plant, and effects of this action.

Background

Section 12 of the Endangered Species Act of 1973 directed the Secretary of the Smithsonian Institution to prepare a report on those plants considered to be Endangered, Threatened, or extinct. This report, designated as House Document No. 94-51, was presented to Congress on January 9, 1975. On July 1, 1975, the Director published a notice in the **Federal Register** (40 FR 27823) of his acceptance of the report of the Smithsonian Institution as a petition within the context of Section 4(c)(2) of the Act, and of his intention thereby to review the status of the plant taxa named within. On June 16, 1976, the Service published a proposal in the **Federal Register** (41 FR 24523) to determine approximately 1,700 vascular plant species to be Endangered species pursuant to Section 4 of the Act. This list of 1,700 plant taxa was assembled on the basis of comments and data received by the Smithsonian Institution and the Service in response to House Document No. 94-51 and the July 1, 1975, **Federal Register** publication. *Hudsonia montana* was included in the Smithsonian's report, the 1975 notice of review, and the 1976 proposal. The notice of review and the proposal included *Hudsonia ericoides* ssp. *montana* rather than *Hudsonia montana*. Treatment of this taxon as a subspecies by Skog and Nickerson (1972) was followed by the Smithsonian Institution and thus the derived **Federal Register** publications. Since 1972, however, this taxon has been treated as a species by various authors. Recent morphological, cytological, and population studies by Morse (1979) have confirmed the distinctness of *Hudsonia montana* from *Hudsonia ericoides*.

The Endangered Species Act Amendments of 1978 required that all proposals over two years old be withdrawn. A one year grace period was given to proposals already over two years old. On December 10, 1979, the Service published a notice (44 FR 70796) withdrawing the June 16, 1976, proposal along with four other proposals which had expired.

Based on sufficient new information the Service reproposed *Hudsonia montana* on May 29, 1980 and proposed its Critical Habitat for the first time (45 FR 3633). Additional studies conducted by the local Fish and Wildlife Service Area Office this spring and research provided by Dr. L. E. Morse in January of this year provided additional biological evidence verifying the precarious status of the species. A public meeting was held on this proposal on July 1, 1980, in Morganton, North Carolina.

The regulations to protect Endangered and Threatened plant species appear at 50 CFR 17 and establish the prohibitions and a permit procedure to grant exceptions, under certain circumstances, to the prohibitions.

The Department has determined that this is not a significant rule and does not require the preparation of a regulatory analysis under Executive Order 12044 and 43 CFR 14.

Summary of Comments and Recommendations

In the May 29, 1980, **Federal Register** proposed rule (45 FR 36331) and associated notifications and press releases, all interested parties were requested to submit factual reports or information which might contribute to the development of a final rule. Letters were sent to the Governor of North Carolina, the U.S. Forest Service, and local governments notifying them of the proposed rule and soliciting their comments and suggestions. All comments received during the period from May 29, 1980, through August 27, 1980, were considered and these are discussed below.

The Governor of North Carolina commented that the *Hudsonia* proposal was referred to the North Carolina Plant Conservation Board, which had already placed the plant on North Carolina's threatened plant list. A representative of the North Carolina Department of Agriculture which administers North Carolina's Plant Protection Act spoke at the public meeting. Those comments will be summarized later with the other public meeting comments.

The North Carolina Natural Heritage Program commented favorably on the listing of *Hudsonia montana* and stated that they felt the designation of Threatened status was appropriate. The Burke County Manager commented that Burke County endorsed the listing of *Hudsonia montana* as Threatened.

The U.S. Forest Service commented that they feel their management program adequate to conserve *Hudsonia montana* and therefore did not recommend listing. Service Response: The Forest Service only began developing a monitoring plan in the spring of 1980 to determine what management is needed for *Hudsonia montana*. Once management begins and if long range monitoring shows the plant not to be Threatened, steps will be taken by the Service to delist the species. At this time, the species fits the definition of Threatened and is being listed accordingly.

The Garden Club of America commented that they support the listing of *Hudsonia montana* as a Threatened species. Two private citizens commented that they support the listing of *Hudsonia montana* as Threatened and provided information on status and threats.

A public meeting concerning the proposal of *Hudsonia montana* to be a Threatened species was held on July 1, 1980, in Morganton, North Carolina. Thirty-six people attended. Presentations concerning *Hudsonia montana* and its listing as Threatened were made by Service personnel. Statements and questions from the audience were then entertained. A representative of the North Carolina Department of Agriculture described North Carolina's plant protection program and the North Carolina Plant Conservation Act. He pointed out that *Hudsonia montana* is on the State's list as a threatened species and that Federal listing would complement the protection offered by the State law.

An individual representing a rock climbing and outdoor recreation group voiced concerns over the impact of the listing on such activities. A representative of the North Carolina Bow Hunters' Association voiced concern over the impact of the listing on hunting in Linville Gorge. These concerns were addressed by Service personnel and it was pointed out that such impacts should be minimal or non-existent. If the Forest Service did decide in the future to close areas where the populations of the species occur to hikers and climbers, only several small areas would be involved. Such action would not put an undue burden on climbers in the area since there are many better climbing spots within a matter of feet which are not occupied by *Hudsonia montana*. In fact, Outward Bound, a private enterprise which teaches rockclimbing, among other things, and leases land in the Forest has volunteered help in identifying and monitoring areas occupied by the plant. The audience offered other similar observations and comments in an informal discussion which followed.

Conclusion

After a thorough review and consideration of all information available, the Director has determined that *Hudsonia montana* (mountain golden-heather) is likely to become an Endangered species within the foreseeable future throughout all or a significant portion of its range due to one or more of the factors described in Section 4(a) of the Act.

These factors and their application to *Hudsonia montana* are as follows:

(1) *Present or threatened destruction, modification, or curtailment of its habitat or range. Hudsonia montana* was originally collected by Thomas Nuttall in 1816, from the summit of Table Rock Mountain in Burke County, North Carolina. Since its discovery, it has been collected at infrequent intervals from this and several other locations all within Burke County, North Carolina. The species was assumed extinct by various recent treatments due to the failure of botanists to relocate the populations. However, all earlier known populations were still extant in 1978 (Morse 1980).

Although all previously known populations are still extant, two populations have shown declines in the number of individuals present (Morse 1980). Nuttall, in 1816, described *Hudsonia montana* as abundant and forming extensive caespitose patches on Table Rock (Pennell 1936). In 1978, approximately 21 plants (including juvenviles and seedlings) were observed to be present on Table Rock (Morse, 1980).

This apparent reduction is, in part, due to trampling and soil compaction by human visitors. One location receives heavy use by hikers and campers and one camp fire circle resulted in the partial charring of one large clump of *Hudsonia montana*. The other populations have not been monitored, so changes in the populations cannot be readily determined. All populations are threatened by the heavy use the area receives from hikers and rock climbers and all populations show impact from trampling. Misplaced trails or inadequately regulated hiking and climbing could destroy entire populations or population segments in a short period.

Hudsonia montana grows on exposed quartzite ledges in an ecotone between bare rock and *Leiophyllum*—dominated heath balds which merge into pine oak forest. All populations occur on public lands administered by the U.S. Forest Service in the North Fork Catawba River Planning Unit, Pisgah National Forest, North Carolina.

Efforts to develop a habitat management and monitoring plan are being initatied for the *Hudsonia montana* populations by U.S. Forest Service personnel. Possible measures which this plan could incorporate include:

(a) Regulations restricting climbing, campfires, and off-trail hiking on designated ledges;

(b) Consideration of *Hudsonia* requirements in trail maintenance operations;

(c) Realignment of trails at locations where these pose a threat to the plant and implementation of erosion control measures at these locations; and

(d) Monitoring studies to evaluate the maintenance and reproduction of *Hudsonia montana*.

(2) *Overutilization for commercial, sporting, scientific, or educational purposes.* Not applicable to this species.

(3) *Disease or predation (including grazing).* Not applicable to this species.

(4) *The inadequacy of existing regulatory mechanisms.* During the summer of 1979, North Carolina passed new legislation to protect its Endangered plants. At this time, the State is in the process of developing a list of species to be included under that legislation and *Hudsonia montana* was included upon that list as of July 1, 1980.

The Forest Service's regulations prohibit removing, destroying, or damaging any plant that is classified as a Threatened, Endangered, rare, or unique species (36 CFR 261). These regulations, however, may be difficult to enforce. The Endangered Species Act will offer additional protection to this species.

(5) *Other natural or man-made factors affecting its continued existence. Hudsonia montana* is an early pioneer species and evidence indicates that overtopping by taller shrubs may result in the death of the *Hudsonia* plants. Removal of these taller shrubs overtopping the *Hudsonia* should be considered in the management plan for the species. Seedlings have been noted most often in distrubed subtrates so preparation of seed beds perhaps by fire or other means may also be necessary.

The small size and number of the populations cuase this species to be in greater danger of extinction due to natural fluctuations of populations, especially in the case of the three smaller populations.

Critical Habitat

The Act defines "Critical Habitat" as (i) the specific areas within the geographical area occupied by the species, at the time it is listed, in accordance with provisions of Section 4 of the Act, on which are found those physical or biological features (I) essential to the conservation of the species and (II) which may require special management considerations or protection; and (ii) specific areas outside the geographic area occupied by the species at the time it is listed, in accordance with the provisions of Section 4 of this Act, upon a

determination by the Secretary that such areas are essential for the conservation of the species.

Critical Habitat for *Hudsonia montana* is being determined to include all known populations of this species in North Carolina. Adjacent suitable habitat is being included as essential to the conservation of the species because it provides an area for natural expansion. Modifications of this Critical Habitat desgination may be proposed in the future.

Section 4(f)(4) of the Act requires, to the maximum extent practicable that any proposal to determine Critical Habitat be accompanied by a brief description and evaluation of those activities which, in the opinion of the Secretary, may adversely modify such habitat if undertaken, or may be impacted by such designation.

Any activity which would result in increased trampling or disturbance of the fragile areas where *Hudsonia montana* occurs would adversely modify the Critical Habitat. The long-term solution for best protecting *Hudsonia montana* may be to greatly reduce the human traffic in the immediate areas where this plant occurs. In this respect, Critical Habitat designation may affect Federal activities as this may require prohibiting the development of new trails in areas where the plant occurs, relocating old trails, or other steps by the Forest Service.

Section 4(b)(4) of the Act requires the Service to consider economic and other impacts of specifying a particular area as Critical Habitat. The Service has prepared an impact analysis and believes at this time that economic and other impacts of this action are not significant. As stated above, designation would impact only Forest Service practices relating to controlling recreational land use. The Service has been in contact with the Forest Service and others who had input into the impact analysis of determining this Critical Habitat. This economic analysis served as part of the basis for the Service's decisions as to whether or not to exclude any area from the Critical Habitat for *Hudsonia montana*.

Effects of the Rule

In addition to the effects discussed above, the effects of this rule will include, but will not necessarily be limited to, those mentioned below.

The Act and implementing regulations published in the June 24, 1977, **Federal Register** (42 FR 32373) set forth a series of general prohibitions and exceptions which apply to all Endangered plant species. All of those prohibitions and exceptions also apply to any Threatened species, excluding seeds of cultivated plants treated as Threatened, unless a special rule pertaining to that Threatened species has been published and indicates otherwise. The regulations referred to above, which pertain to Endangered and Threatened plants, are found at §§17.61 and 17.71, of 50 CFR and are summarized below.

With respect to *Hudsonia montana* all prohibitions of Section 9(a)(2) of the Act, as implemented by § 17.71 would apply. These prohibitions, in part, would make it illegal for any person subject to the jurisdiction of the United States to import or export, transport in interstate or foreign commerce in the course of a commercial activity, or sell or offer for sale this species in interstate or foreign commerce. Certain exceptions would apply to agents of the Service and State conservation agencies. The Act and 50 CFR § 17.71 also provide for the issuance of permits to carry out otherwise prohibited activities involving Endangered or Threatened species under certain circumstances. International and interstate commercial trade in *Hudsonia montana* does not exist. It is anticipated that few permits involving plants of wild origin would ever be issued, since this plant is not common in the wild or in cultivation. Additional paperwork and permits required for the public would be minimal in the case of *Hudsonia montana*.

Section 7(a) of the Act requires Federal agencies to evaluate their actions with respect to any species which is listed as Endangered or Threatened. This protection will now accrue to *Hudsonia montana*. Provisions for Interagency Cooperation implementing Section 7 are codified at 50 CFR Part 402. These require Federal agencies not only to insure that activities they authorize, fund, or carry out, are not likely to jeopardize the continued existence of *Hudsonia montana*, but also to insure that their actions are not likely to result in the destruction of adverse modification of its Critical Habitat which has been determined by the Director. A discussion of the Forest Service's involvement appears in the Critical Habitat section of this rule. No other Federal involvement is foreseeable at this time.

National Environmental Policy Act

An environmental assessment has been prepared in conjunction with this proposal. It is on file in the Service's Office of Endangered Species, 1000 North Glebe Road, Arlington, Virginia, and may be examined during regular business hours, by appointment. This assessment forms the basis for a decision that this is not a major Federal action which would significantly affect the quality of the human environment within the meaning of Section 102(2)(C) of the National Environmental Policy Act of 1969.

Author

This rule is being published under the authority contained in the Endangered Species Act of 1973, as amended (16 U.S.C. 1531–1543; 87 Stat. 844). The primary author of this rule is Ms. E. LaVerne Smith, Washington Office of Endangered Species (703/235–1975).

Literature Cited

Morse, Larry E. 1980. Report on the Conservation of *Hudsonia montana*, a Candidate Endangered Species. *In:* Geographical Data Organization for Rare Plant Conservation, edited by Larry E. Morse and Mary Sue Henifin, The New York Botanical Garden, Bronx, New York (In Press).

Morse, L.E. 1979. Systematics and Ecological Biogeography of the Genus *Hudsonia (Cistaceae), the Sand Heathers. Ph.D. dissertation. Harvard University, Cambridge, Mass.*

Pennel, F.W. 1936. Travels and scientific publications of Thomas Nuttall. *Bartonia* 18:1–51.

Skog, J.T. and N.H. Nickerson. 1972. Variation and Speciation in the genus *Hudsonia. Ann. Missouri Botanical Gardens* 59:454–464.

Regulations Promulgation

Accordingly, § 17.12 of Part 17 of Chapter I of Title 50 of the U.S. Code of Federal Regulations is amended, as set forth below.

1. Section 17.12 is amended by adding, in alphabetical order, the following plant:

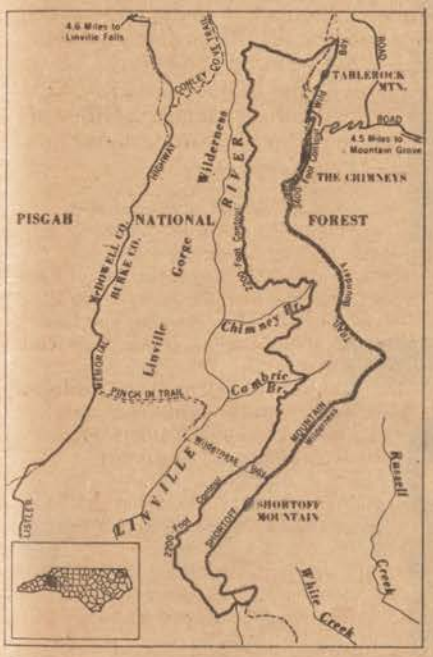
§ 17.12 Endangered and threatened plants.

Species		Historic range	Status	When listed	Critical habitat	Special rules
Scientific name	Common name					
Cistaceae—Rockrose family:						
Hudsonia montana	Mountain golden-heather	U.S.A. (NC)	T		17.96(a)	NA

§ 17.26 [Amended]

2. Also, the Service amends 17.96(a) by adding the Critical Habitat of *Hudsonia montana* after that of Brassicaceae-*Erysimum capitatum* var. *angustatum* (Contra Costa wallflower) as follows:

Family Cistaceae: Mountain golden heather (*Hudsonia montana*) North Carolina; Burke County; the area bounded by the following: on the west by the 2200' contour; on the east by the Linville Gorge Wilderness Boundary north from the intersection of the 2200' contour and the Shortoff Mountain Trail to where it intersects the 3400' contour at "The chimneys"—then following the 3400' contour north until it reintersects the Wilderness Boundary—then following the Wilderness Boundary again northward until it intersects the 3200' contour extending west from its intersection with the Wilderness Boundary until it begins to turn south—at this point the Boundary extends due east until it intersects the 2200' contour.



Dated: September 30, 1980.

Lynn A. Greenwalt,

Director, Fish and Wildlife Service

[FR Doc. 80-32468 Filed 10-17-80; 8:45 am]

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Monday
October 20, 1980

Part III

Department of Commerce

Bureau of the Census

Census Undercount Adjustment: Basis for Decision

DEPARTMENT OF COMMERCE

Bureau of the Census

Census Undercount Adjustment: Basis for Decision

The following report sets forth the basic assumptions related to a decision on whether, when, and how to adjust 1980 census results for possible undercoverage of the population. This report was developed prior to Judge Gilmore's decision on the suit brought by the City of Detroit and does not analyze the issue of adjusting the population count for apportionment purposes.

This report provides information on the process that the Bureau is following in order to arrive at a decision which considers all relevant information. The report is structured in terms of critical assumptions, supporting information, and rebuttals to those assumptions. Its purposes are (1) to distill into meaningful information 2 years of deliberation on the issues, and (2) to provide a direct and practical response mechanism for a final round of comment and discussion before decisions are made later this year.

The Bureau is interested in any reactions or comments on particular parts of the report as well as general comments. Any information—either supporting or rebutting—is welcomed as input to the final decision. However, as the Bureau is under very tight deadlines for the decision, please submit any comments to the Director, Bureau of the Census, Washington, D.C. 20233, by October 31, 1980.

Dated: October 13, 1980.

Vincent P. Barabba,

Director, Bureau of the Census.

Section and Subject

Section A—Introduction

A substantial body of knowledge has been developed over several decades as to the accuracy and completeness of decennial censuses. There is also, now, wide recognition that the shortcomings of census enumerations and the resulting statistics may have adverse consequences for the end uses of census data, even though the census remains, in our judgment, the most comprehensive and uniform statistical profile that our free society can achieve.

Through its own evaluation work, the Bureau has produced estimates of census undercount for the past three censuses; the preferred estimates were 3.3 percent in 1950, 2.7 percent in 1960, and 2.5 percent in 1970. For the 1970 census, the principal evaluation studies show that the most plausible estimates of undercoverage were 1.9 percent for the White population and 7.7 percent for the Black population, with variations in coverage among geographic areas and for age/sex categories.

For the 1980 census, the Post Enumeration Program (PEP) is intended to expand our knowledge of the levels and types of census undercoverage. Certain studies, for example, are designed to develop reasonable estimates of undercount for the Hispanic population, and possibly other minority groups, and for subnational areas such as the States and selected substate areas.

Census undercoverage has always been a concern of elected officials—Federal, State, and local. During the 19th century, when there was no systematic knowledge of undercount, communities and their elected representatives nonetheless called attention to perceived deficiencies in the decennial censuses that they believed shortchanged them of monies, prominence, prosperity, or political representation. For the 1980 census, these concerns have focused largely on political representation and the distribution of Federal funds to State and local governments. Because of these real concerns and the increasing ability of statisticians to measure census coverage, proposals have emerged to adjust census figures so that the "whole number of persons" would include those omitted from the actual enumeration.

For the past two years, the Bureau has committed itself to deal with the undercount adjustment issue in a careful, systematic, and open way, so that decisions on the questions of whether, when, and how to adjust would be clearly understood, if not embraced, by all affected individuals and groups (see section B).

The debates about undercount adjustment have also found expression in legislative proposals and lawsuits. On September 25, 1980, a Federal District Court judge issued an opinion which, if sustained, would require adjustments for apportionment purposes and reserve to the court a decision on whether the statutory deadline of December 31, 1980, for reporting census figures to the President should be extended until acceptable adjusted data are compiled. The Bureau has considered the extent to which adjustment for apportionment purposes is permissible and feasible, and it has been our view that Federal Statutes do not permit adjustment for that purpose, and that it is not operationally feasible to do so within the time constraints set by law. These aspects of the adjustment issue are discussed in section D of this report, which was prepared prior to the September 25th opinion.

Discussions about adjustment will continue, regardless of the outcome of litigation. In the following section (C) we concentrate on the most critical assumptions that we believe provide the basis for decisions about adjustment. These assumptions represent a wide range of contributions made by many individuals and organizations outside the Bureau as well as through the two workshops. The Bureau is responsible for selection of the assumptions that are discussed here as most important. We invite reaction and comment on these assumptions.

Review of this report will be concurrent with the processing and tabulating phases of the 1980 census which will result in the transmittal of the count of the total population of each State to the President in December 1980. The magnitude of census undercount in 1980, as well as its distribution among geographic areas or population characteristics, has not yet been determined. The earliest information we will have on 1980 undercount will be rough approximations subject to later revision. While those approximations can also impinge on the decisions, based on what we now know, they will not alter the critical assumptions on which the decision should be made.

Section B. Procedures for Arriving at a Decision on Undercount Adjustment

The Bureau has established a procedure for considering undercount adjustment where it might be permitted by law, time schedules and resource availability, and supported by professional judgment. The procedure that is being followed is outlined below:

Initially, the Secretary of Commerce requested that the National Academy of Sciences review and evaluate the 1980 census data collection plans, including the undercount adjustment issue. A special panel convened by the Academy conducted the desired research and issued a report stating the judgment, among other things, that on balance an improvement in equity would be achieved through an adjustment. The

panel did not recommend either a particular technique for adjustment or that adjusted figures be used for legislative apportionment. At the same time, the panel pointed out that the application of an adjustment methodology has arbitrary features and that the figures for some areas would be further from the correct population than the actual census count.

Next, the Bureau conducted a 3-day intensive workshop in September 1979 at which Bureau staff members attempted to surface all assumptions that would underlie a decision on whether providing a set of adjusted data is desirable and feasible. Technical and policy issues were identified and recommendations were made for additional information needed to make the final decision.

Third, the Bureau hosted a Conference on Census Undercount in late February of this year. Attended by a diverse body of professionals from academic, business, Federal and local governmental, and legal communities, the Conference was successful in presenting research results and in eliciting opinions on a wide range of topics related to the undercount issue. A discussion of invited papers followed each presentation, thereby affording the Bureau staff insight into the concerns of individuals viewing undercount adjustment from differing perspectives. The Bureau issued a report on the undercount conference that presented all papers in full and summaries of the discussions.

Fourth, during the first week of September, the Bureau conducted a second workshop to facilitate the concluding process of decisionmaking. Analyses of our ability and the time required to produce adjusted data, guidelines for deciding the issue and the legal aspects and possible implications of providing adjusted data were prepared for this workshop. The purpose of the workshop was to integrate the issues which had surfaced and to reach a consensus as to a final set of critical assumptions which must underlie the ultimate decision. The findings of that workshop are being made available for public comment in this document.

Finally, by November/December of this year, consonant with the instruction from the Secretary of Commerce to the Director of the Bureau of the Census, (see Appendix A) and based on all the information obtained through the preceding steps and on any preliminary assessment of census coverage, the Bureau will decide whether or not adjusted data can or should be made available for official uses *other than apportionment.* If the decision is to provide data adjusted for the estimated undercount, the questions of when and how an adjustment is to be made, how the data will be presented, and how the data will be used in postcensal estimates programs will also be assessed.

With respect to its two workshops, the Bureau adopted a proven process for dealing with ill-structured problems. In this process, participants are divided into groups according to contrasting views and positions. Each group surfaces assumptions, and challenges the assumptions of other groups. Through this exercise, a wide range of views and issues emerge, and these are coupled to facts that strengthen or weaken specific assumptions as well as affect the individuals or segments of the public that support those assumptions and have perceived stakes in the outcome of the decision process. The published report from the September workshop expressed this wide range of assumptions and stakeholders.

Section C—The Basic Question and Critical Assumptions

As noted in the introduction and discussed fully in section D, we have argued that Federal statues do not permit us to adjust census results for purposes of apportionment, and are convinced that it is not operationally feasible to do so in accordance with timing requirements as set forth in Federal law.

Issues concerning adjustment go well beyond these purposes, however, and the resolution of those issues will have consequences throughout the decade. Principal among them is the distribution of Federal and State revenues to subordinate units of government on the basis of decennial census data, and on population and income estimates compiled regularly between censuses from other sources and linked in various ways to census results.

Through the workshop process many issues and assumptions were thoroughly discussed and debated (see Appendix B). This section examines only those considered most critical in making the decisions on whether, when, and how to adjust, without extensive discussion of specific end uses of census information. The format for discussing the critical assumptions provides key premises, supporting information, and possible rebuttals to the assumption. This approach is intended to encourage the reader to act to specific as well as general points; to defend, reject, or modify assumptions; or to present counterarguments. Although predispositions are not entirely avoidable, we have attempted to develop an approach that provides a reasonably neutral framework for comment.

The assumptions are examined with reference to this basic question: *Should the Census Bureau adjust the 1980 census results for purposes other than apportionment?*

A "Yes" answer to this question requires that certain critical assumptions be accepted as plausible.

If, however, the assumptions are rejected because the rebuttals are considered stronger, then the answer to this question should be "No."

These assumptions are organized around three broad premises and supporting statements shown on the following page and discussed later in terms of specific assumptions and rebuttals beginning on the pages noted in the margin. Background materials are listed in Appendix C.

Critical Assumptions

I. The Census Bureau has the capability to develop statistically acceptable and programmatically useful procedures for adjustments.

a. We will have a data base from evaluation studies that is substantially improved from previous censuses.

b. The Bureau has in the past demonstrated the ability to develop acceptable procedures to meet similar challenges.

II. It is the responsibility of the Bureau to take an active role in developing methodology and providing adjusted data.

a. Other options (anyone who chooses can adjust), though plausible, do not meet societal needs for accuracy, credibility, and consistency.

b. The Bureau is best equipped to apprise society of the limitations of adjusted census data.

III. The Census Bureau will be able to produce a series of adjusted census figures that are statistically acceptable for various geographic levels and various characteristics as they become technically feasible; the Bureau will continue to produce additional estimates during the decade.

a. Adjustments to headcounts that produce more accurate figures are desirable; information obtained from evaluation studies will provide partial adjustments for large geographic areas rather than all geographic areas at one point in time.

b. Acceptable adjustments for measures of population characteristics are also desirable; results of evaluation studies will provide for only limited adjustments for characteristics, but additional research throughout the decade may permit extending the range

of characteristics for which satisfactory adjustments could be produced.

c. An acceptable adjustment that includes adjusting for uncounted undocumented aliens will not be possible at the time adjustment for other groups is; however, the inability to adjust for every group does not take away the responsibility to adjust for those for which data are available. During the decade, further information may become available to enable adjustment for undocumented aliens.

The following assumptions deal with the broad premise:

The Census Bureau has the capability to develop statistically acceptable and programmatically useful procedures for adjustments.

Critical Assumption

The Census Bureau will continually examine, evaluate, and share its understanding of undercoverage throughout the decade.

Basis of Assumption

The Bureau has the responsibility to continue to improve the state of the art by striving to achieve greater statistical accuracy in coverage estimates.

Supporting Information

1. The Bureau has historically advanced the level of knowledge regarding undercoverage estimates.

2. An ongoing program permits expansion of the number and kinds of areas covered and would contribute to accuracy as more data and refined methods are employed.

3. The continuing reevaluation of coverage provides the flexibility to respond to methodological advances, new data, and changes in policies, programs, and enabling legislation.

4. This policy is in line with the traditional approach of revising and improving current data series.

5. Work is continuing on the development of undercoverage estimates for Hispanics, since this group may be affected by specific programs.

6. The present schedule of research and evaluation work calls for different pieces of information to become available at different points in time.

Reubttal

1. Once a revision is made, reevaluation will result in increased demands for revised numbers, and this will lead to confusion among data users as to which data sets should be used for various purposes.

2. The Bureau often neglects to anticipate the broad consequences of an issue. Thus an announcement of new findings which the Bureau regards merely as technical improvements may have widespread impact that the Bureau fails to recognize in advance.

3. Lack of congressional or administration support could result in budgetary constraints limiting the Bureau's work in this area.

4. Changes in type of funding or a reduction in funding for the census count in 1990 may occur if, for example, Congress argues that based upon 1980 results, adjustments are cheaper *and* more accurate.

5. The census is recognized to be the best measure of the U.S. population. Doing anything to that count might not necessarily improve it.

Critical Assumption

The Census Bureau has the ability to develop a statistical and analytical methodology which will permit adjustment of *critical variables* (e.g., selected subnational geographic units and selected characteristics) in a timely fashion.

Basis of Assumption

In the past, when the Census Bureau has been confronted with a significant information need, it has been able, over time, to develop a statistically acceptable procedure for generating the required information.

Supporting Information

1. The need for credible employment statistics during the Depression era was the impetus for the development of sample survey methodology leading to the Current Population Survey.

General Revenue Sharing generated the need for current estimates of the population for 39,000 general-purpose governments.

3. The Bureau has experimented with and tested the following methodologies which have shown some promise:

a. Matching studies

b. Demographic analysis

c. Regression analysis or refined synthetic estimation

4. The Bureau is supporting research related to adjustment methodologies.

5. The Bureau has been able to rearrange priorities to expedite carrying out the Post Enumeration Program.

6. The Bureau will have available throughout the next 3 years the results of the Post Enumeration Program, which should provide the following:

a. Estimates of undercount for total population at the State level.

b. Estimates of undercount by region for age, sex, race, and Hispanic origin.

c. Information about undercount related to income, education, labor force, urban vs. rural, and metropolitan vs. nonmetropolitan areas that could be used in regression analysis or in refined synthetic estimation.

Rebuttal

1. Although the need to generate "adjusted" totals for geographic subdivisions has existed for the past couple of decades, the Bureau has not yet developed a procedure it is willing to implement today.

2. Results of the 1980 census test program, especially for Oakland and Richmond, indicate there are a number of difficulties in the match studies that still need to be resolved.

3. There is a stated concern within the professional statistical community that the techniques being developed are at the "frontier" and are not yet ready for implementation.

Critical Assumption

A Census Bureau adjustment procedure would be recognized as equitable, legally acceptable, meeting professional standards, and providing users with more accurate data.

Basis of Assumption

In the past, the need to provide adjustment procedures to take care of nonresponse and undercoverage biases has resulted in the development of statistically acceptable and useful procedures.

Supporting Information

1. Survey undercoverage in the Current Population Survey is adjusted for by using the ratio of survey estimates to independently derived population control totals. (The control totals are based on previous census data, which do not include adjustments for undercoverage in the census.

2. To improve coverage in the 1978 Census of Agriculture, a direct enumeration of an area sample was used to supplement mailing lists. Since the sample data provided reliable estimates for State totals only, data for lower levels were not adjusted. Both adjusted State totals and unadjusted data below the State level were published. The size of the adjustment from the area sample was also published with the adjusted State data.

3. There currently is being developed an adjustment procedure (based on direct estimates of the undercount) for the national and State levels, using data which will be available from demographic analysis and the Post Enumeration Program.

4. A study of the effect of population adjustment on General Revenue Sharing allocations in two States showed that most areas tended to move in the direction of their "proper" allotment (although this means a decrease in allotment for most areas), "proper" being determined by both population and income adjustments.

5. The National Academy of Sciences' panel on decennial census plans concluded that "inequities resulting from the geographic differentials in the decennial census undercount could be reduced by adjustment of the data for underenumeration."

6. The courts, in the past, have upheld Bureau procedures because they could be shown to be neither arbitrary nor capricious.

Rebuttal

1. Currently there is no adequate methodology for measuring the quality

(limitations) of adjusted figures at geographic levels below the State.

2. Studies of synthetic estimates have shown that any areas with undercount rates much above or below the national average would be adjusted in such a way that error rates for those areas would be high.

3. Estimates from demographic analysis are subject to unknown errors, especially in the net immigration component.

4. Examination of the effects of an adjustment procedure on allocation of funds will result in the realization that there are more "losers" than "winners."

The following assumptions deal with the broad premise:

It is the responsibility of the Bureau to take an active role in developing methodology and providing adjusted data.

Critical Assumption

The Census Bureau is recognized as having the ability to objectively make and defend the appropriate decision on whether or not to adjust. If adjustments are to be made, the Census Bureau should formulate the procedures. This will promote a high standard of statistical rigor and encourage the appropriate use of census results.

Basis of Assumption

The Bureau has long been recognized as an agency of unquestioned integrity. It has a history of systematically studying the undercount problem and took the lead in bringing the issue into the open. The Bureau has the appropriate technical skills, resources, and specialized knowledge to develop and implement a procedure for adjusting census data.

Supporting Information

1. Bureau leadership in this area will enhance the credibility of the results, in view of the Bureau's accumulation of information on the undercount not shared by other organizations.

2. Official statistics issued by the Bureau are accepted by the public as impartial and free of vested interests.

3. Legislators, program administrators, and courts of law give sanction to census data as official Government statistics.

4. Affected parties have strongly expressed their opinions that the Bureau should make the adjustment. No one has questioned the Bureau's competence in this area, nor its objectivity or integrity.

5. Through conferences and workshops, the Bureau encouraged discussion and debate on the adjustment issue so that all relevant information could be considered in arriving at a sound decision.

6. A large-scale Post Enumeration Program is in place and funded; it will provide the necessary information for adjustments for States and other subnational areas.

Rebuttal

1. Census statistics are in the public domain; users are free to accept, modify, or reject them (and sometimes do).

2. The judiciary has not always prescribed the use of decennial census figures when superior data are available from a source other than the Census Bureau.

3. Census data are used for a multitude of purposes; adjusted data are not appropriate for all of them. The responsibility for proper use of data, including appropriate adjustments, rests with the user.

4. There are other reputable institutions that can produce adjusted census data which would be acceptable for many purposes.

5. Equity is essentially a political issue, and the decision whether or not to adjust census data should be made by Congress, not by the Census Bureau.

Critical Assumption

A simple synthetic adjustment procedure would not satisfy the Census Bureau's standards for accuracy.

Basis of Assumption

The Bureau implements new statistical methods only when certain general standards of data quality can be statisfied.

Supporting Information

1. A most important criterion is that there should be some knowledge of the limitations of the data to reduce misuse of statistics that are not fully reliable.

2. The Bureau's analyses of 1970 census undercount show that geographic variation is substantial. The simple synthetic method is not sensitive to this variation, and can, in fact, introduce serious defects not present in the unadjusted data.

3. If the undercount for specific age/race/sex groups were the same among subunits below the national level, the method would be acceptable.

4. The simple synthetic method is dependent on readily available independent estimates of undercount for population subgroups, and therefore provides no direct means for adjusting for the undercount of Hispanics.

5. Bureau research, and comparable studies by Canada for its census, demonstrate that adjustments by this method would produce more errors than superior methods that can be refined as more information is available from evaluation projects.

Rebuttal

1. The simple synthetic method is uncomplicated, easily understood, and timely. Its use would produce acceptable results on the average.

2. In view of the important and immediate uses of census results, adoption of the simple synthetic method will produce adjusted data quickly, and such data will correct for some of the most serious defects of unadjusted data.

3. The Bureau has an obligation to reduce statistical inequity even through the method used may not satisfy its highest standards of data quality.

4. The National Urban League recommends that synthetic adjustments be used for States and local areas and that the national undercount rate for Blacks be used for subnational adjustment for the Hispanic undercount.

5. Application of the simple synthetic method requires only that the null hypothesis be satisfied—that there is no *statistically significant* difference in undercoverage rates among geographic areas.

6. Alternatives to the synthetic method depend partly on demographic analysis, for which a number of questionable assumptions must be made to derive national undercount estimates.

7. According to the National Commission on Employment and Unemployment Statistics, adjustments for undercount in labor force statistics by use of the synthetic method would be smaller in magnitude that the adjustments the Census Bureau traditionally makes to account for underreporting of income and unemployment in its Current Population Survey.

The following assumptions deal with the broad premise:

The Census Bureau will be able to produce a series of adjusted census figures that are statistically acceptable for various geographic levels and various characteristics as they become technically feasible; the Bureau will continue to produce additional estimates during the decade.

Critical Assumption

Recognizing the present limits of technical feasibility, affected parties will accept and find useful initial adjustments for larger geographic areas only, despite program requirements for data for smaller areas.

Basis of Assumption

The demand for statistical adjustment of decennial census data stems in large part from the conviction that differential population undercoverage, especially of minorities such as the Black and Spanish-origin populations, produces serious inequity in the administration of Federal and State programs, especially those which distribute funds according to statistical formulas. Adjustment for

States and large metropolitan areas, which should be feasible by 1982, will be an important step toward improved program administration.

Supporting Information

Population data, both counts and characteristics, are key elements in many formulas used to distribute billions of dollars in Federal funds annually.

2. Partial adjustments, such as for selected geographic areas and key characteristics, would satisfy some program requirements.

3. About one-third of the population lives in the 30 largest SMSA's for which adjustment is expected to be feasible within 2 years.

Rebuttal

1. Limited adjustments are not adequate:

a. An adjustment would be of dubious utility unless it applied to all geographic levels for which stakeholders have a program interest.

b. Many Federal agencies indicate that adjustment should be applied to all levels for which they have program responsibility.

2. Census results without adjustment are adequate; unadjusted census data have been valuable in the past and will continue to be useful, partly because they provide internally consistent figures for use in program administration and formula grants.

3. The Census Bureau should be in the counting business. Its staff is the most competent and highly regarded in that field.

4. Going beyond an absolute count would be to go outside of the mission of the Census to try to solve the problems of society.

Critical Assumption

No currently available adjustment procedure will provide more accurate numbers than the actual counts for *all* units of government or down to the block level; therefore, adjustments to relevant geographic levels must be made over time as procedures are refined geographically.

Basis of Assumption

None of the currently known procedures have been tested for their capability to measure the undercount at all levels for all units of government.

Supporting Information

1. There is a stated concern within the professional statistical community that the techniques being developed are still in the experimental stage and are not yet ready for implementation.

2. Canadian experience with reverse record checks indicates that simple synthetic adjustment might not be appropriate for geographic subdivisions below the regional level.

3. Comparisons of demographic estimates for States with those computed by synthetic methods also raise doubts about the accuracy of synthetic adjustment for small areas.

4. Demographic estimates are available only for the Nation and are still developmental for the States.

5. Standards against which to measure and evaluate adjustment procedures are not yet available for the smallest geographic areas.

6. To make estimates for every unit of government involves an assumption that undercount rates from the sample area apply to areas not in the sample.

7. Even though more accurate numbers cannot be provided for all units, it is important to increase the accuracy of as many as possible; improving the level of accuracy of some numbers is better than leaving them alone. Demographic estimates of national undercount by age, sex, and race will be available in the spring of 1981. Estimates of the undercount, based on evaluation studies, for the States, the 30 largest SMSA's, and 10 cities, and for the Hispanic undercount at the national level, will be available in late 1981, and improvements in these estimates will be possible by 1983.

Rebuttal

1. Adjustments for smaller geographic areas could be made using various synthetic or regression techniques. Although the data might be of unknown accuracy, at least a complete set of "official" data would be available for program administration.

2. Multiple series of adjusted census data may be unacceptable to users of census data.

3. The Census Bureau may not be capable of handling the workload required to produce multiple sets of printed and taped census figures.

4. There would be "numerator-denominator" difficulties in Federal program implementation where unadjusted and adjusted figures had to be combined to produce rates and ratios for program analysis or fund allocation formulas.

5. Because of difficulties in producing small area detail counts and characteristics, publication of official data could be delayed with corresponding adverse effects on timely application of census results for policy planning and program implementation.

Critical Assumption

In order for adjustment to improve program effectiveness, program agencies will require adjustment for key demographic characteristics such as age and income; adjustment for a limited number of key characteristics will satisfy the most important program needs.

Basis of Assumption

Agencies are dependent on accurate distributions of the population by certain demographic characteristics in order to carry out major program goals.

Supporting Information

1. Adjustment for some areas and not others is acceptable for many programs.

2. Legislated programs are often targeted at specific segments of the population; for example, the Elementary and Secondary Education Act allocates funds on the basis of the number of children ages 5 through 17 in low-income families.

3. The distribution of General Revenue Sharing funds could be adjusted if and when adjustment factors are available for all geographic areas and for income.

4. Among the characteristics most commonly incorporated into funding formulas are race, age, per capita income, family income, and employment and unemployment.

Rebuttal

1. No timely adjustments are feasible:

a. Current methodology does not produce estimates of acceptable quality for the adjustment of characteristics.

b. The time it may take to implement an adjustment of this type will not satisfy agency needs for timely data.

2. A few adjustments are not enough:

a. Different adjustment techniques must be used for various characteristics. This will result in a combination of adjustment procedures ranging from very sophisticated to simple raking, and therefore there may be inconsistencies in the data.

b. Program agencies have indicated the need for adjustment of many characteristics and will press for adjustment of more than a limited number of key characteristics.

Critical Assumption

Given the estimated magnitude of the undocumented-alien population and the fact that the Bureau's policy is to count all residents, it is important to include the development of an estimate of their "true" number as part of the 1980 census evaluation and statistical adjustment program.

Basis for Assumption

The stated policy of the Census Bureau is to enumerate all U.S. residents, regardless of legal status.

Supporting Information

1. Current interpretation of the Constitution indicates that the census should enumerate all residents.

2. Determining the legal status of respondents would be a complex legal undertaking and is not feasible or appropriate in a statistical activity such as the census.

3. Ultimately, a valid estimate of the undercount by demographic methods cannot

be made without an estimate of undocumented residents in the estimate of the "true" population. Since some undocumented residents were likely to have been counted in the 1980 population census, they must also be accounted for in the national population estimates for consistency in making an adjustment.

4. Users of census data require complete information about all residents of the United States and its subnational areas.

5. Undocumented residents have an impact on economic and political life in the United States.

6. The speculative estimates of undocumented residents indicate this group may be a significant portion of the population. The number could be as high as several million.

7. Because of their reported concentration in certain areas of the country, the underenumeration of undocumented aliens could reduce political representation and funds allocated to certain States and cities.

Rebuttal

1. The Bureau does not now have a methodology to estimate the number of undocumented residents nationally or for geographic subdivisions, and the available evidence indicates an uneven geographic distribution of such persons.

2. It may not be possible to derive an estimate of undocumented immigrants to include in the estimated "true" population.

3. Including undocumented residents in the census or the undercount estimates may not be acceptable to Congress.

4. Even if no method is available to adjust for an undercount of undocumented aliens, that does not relieve the Bureau of the responsibility to adjust for other groups for which estimates are available.

Section D. Factors That Prevent Adjustment for Apportionment

The purpose of this statement is to summarize in nonlegal and nontechnical language the Census Bureau's position on the subject of statistical adjustment of the 1980 Decennial Census counts to be used to reapportion the U.S. House of Representatives.

The need for this statement arises from public confusion—generated by various lawsuits and attendant publicity—as to whether the Bureau could legally or operationally make such adjustments. The statement was prepared for the Undercount Adjustment Workshop held September 2–5, and, therefore, was completed before a decision was rendered in the Detroit suit.

The Issue

For a variety of reasons, not all persons are counted in the census. The 1970 census figures, for example, are estimated by one technique to have fallen about 2½ percent below the "true" population. All earlier censuses, going back to the first enumeration in 1790, are believed to have had net underenumeration. The courts have indirectly addressed the issue of underenumeration and concluded that officially released (albeit incomplete or not final) census results are appropriate for apportionment and redistricting.[1]

Knowledge of the extent and character of census undercounts has expanded considerably in the past two decades and with that expansion of knowledge there has been a growing interest in the possibility of adjusting both national and local area census counts to include statistical estimates of omissions. The specific issue is whether it is possible and appropriate to adjust 1980 census counts that will be used to reapportion seats in the House of Representatives among the States and to redistrict within States. This issue has two key parts:

1. Would it be legal?

2. If legal, would it be operationally feasible?

The answer to both questions is no.

The Legal Foundation

Statistical programs of the Federal Government, such as the Decennial Censuses of Population and Housing (hereafter, census) are authorized, controlled, and ultimately accountable within a specific legal framework. In the case of the census, the foundation and specific constraints are established in Article 1, Section 2 of, and the 14th Amendment to, the Constitution. The Constitution also confers full authority for the determination of census procedures on the Congress.[2] Congress, in turn, has delegated the responsibility for the conduct and content of the census to the Secretary of Commerce and to the Director of the Bureau of the Census; this statutory delegation is found in Title 13 of the U.S. Code (hereafter, Title 13). The delegation of responsibility for procedural and other matters has been tested in court and upheld.[3] This broad delegation of authority is, of course, subject to both specific and general constraints arising from the Constitution, Title 13 and other statutes.

In discharging its mandated responsibilities the Bureau of the Census (hereafter, Bureau) also faces other constraints. Important among these are the current state of census-taking technology and the state of knowledge in the statistical and demographic professions, the availability of adequate budgetary and other resources (including, particularly, a sufficient number of effective enumerators), public attitudes toward the census and government information collection in general, and various time constraints.

Paramount among time constraints are the statutory requirements that the Congress be notified of the population court by State and the appropriate number of Representatives for each State within one week after the opening of the next session of Congress after Census Day (or roughly 9½ to 10 months from Census Day)[4] and that local area data for redistricting within States be provided no later than one year after Census Day (April 1, 1981).[5]

Constitutional Provisions

Article I, Section 2, of the Constitution states:

> Representatives * * * shall be apportioned among the several states which may be included with this Union, according to their respective Numbers, which shall be determined by adding to the whole Number of Free Persons, including those bound to Service for a Term of Years, and excluding Indians not taxed, three-fifths of all other Persons. The actual Enumeration shall be made within three Years ater the first Meeting of the Congress of the United States, and within every subsequent Term of ten Years, in such Manner as they shall by Law direct.

The term, "actual Enumeration", means a census or a headcount. A "census" has been judicially defined as "an official enumeration of the inhabitants with details of sex, age, family, etc., and the public record thereof * * * A 'census' is not an estimate of the population."[6] The legal definition does not differ from the common or historical usage.[7]

This original population base for apportionment was revised with the abolition of slavery; the fourteenth amendment to the Constitution modified the first sentence to provide that:

> Representatives shall be apportioned among the several States according to their respective numbers, *counting* the whole number of persons in each State, excluding Indians not taxed.

[1] *Asbury Park Press, Inc. v. Wooley*, 33 (1960) and *East Chicago v. Stans*, Civil No. 70–H–156 (1970).

[2] *Bethel Park v. Stans*, 449 F.2d 575 (1971).

[3] *Quon v. Stans, 309 F. Supp 604 (1970).*

[4] Title 2, U.S. Code

[5] Title 13, U.S. Code

[6] *Union Electric Co. v. Curie River Electric Coop., Inc.*, 571 S.W. 2nd 790, 794 (Mo. App. 1978). See also, *State v. Nabours*, 286 P. 2d 752, 755, 1955 (to "enumerate means 'to designate' or specifically mention, in detail, or reckon singly.")

[7] *Webster's Third New International Dictionary*, p. 361 (1976) ed.; *New English Dictionary On Historical Principles*, p. 219–20 (1893).

Since the passage of the income tax law, there are no longer any Indians not taxed who are to be excluded from the apportionment population, so that it now includes the "whole number of persons" in each State to be arrived at by an "actual Enumeration" or count.

In the phrase, "in such manner as they shall by Law direct.", the Constitution grants to Congress the authority to determine the manner and, hence, methods by which the census shall be taken. The Congress, through enactment of Title 13, has legislatively delegated the determination of the manner and methods of conducting the census to the Secretary of Commerce and the Director of the Bureau of the Census.

Title 13, U.S. Code

In its delegation of authority in Title 13, the Congress explicitly authorized the use of sampling as a means of estimating characteristics of the population. Section 141(a) of Title 13, which requires that the decennial census be taken, provides:

> The Secretary shall, in the year 1980 and every 10 years thereafter, take a decennial census of population as of the first day of April of such year, which date shall be known as the "decennial census date", in such form and content as he may determine, including the use of sampling procedures and special surveys.

At the same time, in Section 195 of Title 13, the Congress expressly prohibited the use of sampling in the apportionment process, saying:

> Except for the determination of population for purposes of apportionment of Representatives in Congress among the several States, the Secretary shall, if he considers it feasible, authorize the use of the statistical method known as "sampling" in carrying out the provisions of this title.

Thus, Title 13 clearly continues the constitutional mandate and historical precedent of using the "actual Enumeration" for purposes of apportionment, while eschewing estimates based on sampling or other statistical procedures, no matter how sophisticated.

There are, of course, methods other than sampling for estimating population and some have argued that the exclusion of sampling does not cover such alternatives. There are two relevant responses:

First, alternative methods for undercount adjustment were discussed in a General Accounting Office (GAO) report [8] to the House Committee on Post Office and Civil Service in a manner that underscored their developmental and experimental status. Although the GAO report recommended greater efforts to adjust for undercounts, the Committee did not authorize use of such adjustment techniques under Title 13, thus continuing the requirement of use of the actual enumeration.

Second, and perhaps more importantly, the framers of the Constitution drew a clear distinction between an "actual Enumeration" and an estimate, regardless of its underlying methods. In the absence of an "actual Enumeration," seats were apportioned in the first House of Representatives based upon what was characterized as "a mere conjecture" of population, which was contrasted to the more "precise standard" anticipated from the later census.[9]

Congressional Intent

The legislative history of Title 13 makes it eminently clear that sampling was not to be used in apportionment. Relative to the initial enactment of section 195, the relevant House report states: [10]

> Section 195 provides that the Secretary of Commerce may authorize the use of the statistical method known as sampling in carrying out the purpose of Title 13, if he deems it appropriate. However, section 195 does not authorize the use of sampling procedures in connection with apportionment of Representatives.
>
> The purposes of section 195 in authorizing the use of sampling procedures is to permit the utilization of something less than a complete enumeration, as implied by the word "census," when efficient and accurate coverage may be effected through a sample survey. Accordingly, except with respect to apportionment, the Secretary of Commerce may use sampling procedures when he deems it advantageous to do so.

Furthermore, enactment of section 195 was at the specific request of the Department of Commerce to provide authority to use sampling in the context of the overall census enumeration to achieve economies of operation. Thus, in the context of an understanding that an actual enumeration was required for apportionment purposes, the Congress granted authority for the use of sampling for other purposes.

The Congress had an opportunity in the 1976 amendments to Title 13 to consider expansion or alteration of section 195 and, even in the presence of recommendations to do so, chose not to modify section 195 to permit any undercount adjustment or correction. The continuation of the longstanding actual enumeration requirement is fully binding on census activities.

Other Opportunities for Congressional Action

In meeting its oversight responsibilities, the Congress has had ample opportunity to instruct the Bureau to make adjustments for underenumeration. The clearest such opportunity occurred in 1977, when the House Committee on Post Office and Civil Service considered, but chose not to report, H.R. 10386. In its final form this bill would have provided for "corrections" of the actual enumeration and, thereby, relaxed the obligation for an actual census.[11] H.R. 9623 and H.R. 8871, the precursors of H.R. 10386, were the subject of subcommittee hearings in which the proposal to require undercount "corrections" and other proposed changes in Title 13 were discussed extensively.[12]

The frequent Congressional hearings concerned with the census in particular, and the Bureau's programs in general, have provided ample opportunity for the Congress to consider undercount adjustments. In no instance has a proposal to adjust census results gone beyond a full Committee. When consulted, the Bureau has steadfastly maintained that, even if it were legal, a statistically defensible underenumeration adjustment of the census counts to be used for apportionment was not possible given statutory time constraints and the experimental and developmental character of possible undercount adjustment techniques.

Operational Feasibility

The issue is not just—or even—whether an adjustment should be done. Rather, it is whether an appropriate adjustment could be done within the time deadlines posed by statute. Tabulation of the total population by States required for the apportionment of Representatives in Congress must be completed and reported to the President by December 31, 1980. Tabulations for political subdivisions in the various States must be reported to the States by April 1, 1981. For the following reasons, it is the judgment of the Bureau that such adjustment to the counts to be used for apportionment would not be operationally feasible within the statutory time constraints.

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[8] Comptroller General of the United States, *Report to the House Committee on Post Office and Civil Service on Programs to Reduce the Decennial Census Undercount*, B-78395 (May 5, 1976), p. 21-22.

[9] See Ferrand, *Records of the Federal Convention of 1787*, Vol. 1, p. 578-9.

[10] H.R. Rep. No. 85-1043, 85th Cong., 1st. Sess. (1957), p. 10.

[11] See, Section 143., "Corrections in census counts, H.R. 10386, 95th Congress, 1st. Sess. (1977), p. 9-11.

[12] See hearings on H.R. 8871, Hearing before the Subcommittee on Census and Housing, 95th Congress, 1st Sess., No. 95-46, (1977).

At the minimum, such adjustment would require:

1. A reliable estimate of the undercount with specific estimates for such demographic, socioeconomic, administrative, and geographic subgroups as were needed for a pre-agreed adjustment methodology. At best, preliminary estimates of the undercount based on demographic analysis (race, sex and age) should be available around April 1, 1981. Preliminary estimates of the undercount would, of course, be subject to revisions, and, based on past experience, such revisions might be large.

2. Completion of the special data development efforts necessary to estimate State level undercounts by match studies and selected other analyses. This is necessary to address the problem of differential geographic undercounts arising from operational or other nondemographic factors. Fully tabulated data from these efforts will not be available until the fall of 1981 at the earliest. These activities involve direct matches of census returns with other surveys, some of which are not scheduled for collection until January 1, 1981, and includes sifting through the entire census file; a file that is expected to include records for more than 85 million households and more than 222 million individuals. It is impossible to complete the requisite work in time for the use of any adjusted data for Congressional apportionment among and within the States.

3. To properly lay the foundation for public, congressional, legal, and administrative acceptance of adjusted census counts for any purpose, there must be a suitable interval for statisticians, demographers, and the widely interested user community both to study and analyze the methodology to be used, and to assess the evidence in support of that methodology vis-a-vis alternative techniques. It is essential that this step engage the best minds and most interested users outside the Bureau as well as incorporate the best work within the Bureau.

4. Finally, it is essential that the Bureau be prepared to fully defend the accuracy of the chosen adjustment. The courts have long recognized the census counts as having a "presumptive correctness" and that alternatives that might be considered for redistricting would have to exhibit "clear, cogent and convincing evidence" to support their validity.[13] The Bureau has always adopted similar criteria in reaching decisions on new methods. In the case of undercount adjustment for apportionment purposes, because the first three conditions could not be met within the statutory time deadlines, *no* clear, cogent or convincing evidence could possibly be provided.

Operational Facets of "Actual Enumeration"

The 1980 census data covering the vast majority of Americans will result from a pure count in the full tradition and practice of actual enumeration. That is, the individual form will be completed (generally by a family respondent), checked for omissions or errors, and sent through a device which derives the statistical information and puts it into the Bureau's computer. The computer, in turn, prints the necessary tabulations for reapportionment calculations, and, later, for other statistical purposes. In enumeration and processing, however, there are situations which require error corrections or special efforts to ensure that the most accurate and complete count is achieved. Error correction and coverage improvement in the 1980 census requires information gained in the enumeration process as to the existence of a person or household at a specific location.

Substitution for Enumeration and Processing Reasons

Substitution is the process by which all the characteristics for one enumerated person are used during data processing to describe another enumerated person whose characteristics are unknown. This process has been used in previous censuses. Substitution is being used in the 1980 census as follows:

Close-out. After repeated visists by an enumerator to a housing unit known to be occupied, the enumerator is instructed, as a last resort, to determine at least the number of persons living in the unit as well as housing characteristics. This is usually obtained from neighbors, building manager, or other knowledgeable persons. The census form is identified as a "close-out" in machine readable form and the number of occupants is entered. During processing, characteristics are "substituted" by the computer for each person in a "close-out" household. If the number of occupants is unknown, an entire set of characteristics for a neighboring household is substituted. (The specific field guidelines for such procedures are described in the 1980 Census operations manuals).

Unreadable questionnaires. Occasionally during shipment or the processing of data, census forms are lost, destroyed, or damaged so as to be unreadable by the machine. In such instances, replacement questionnaires are entered into the system that indicate the number of persons, if any, in the living quarters. When possible, this information is obtained from master control counts for each address that is entered by the field staff during the actual census. By "reading" the replacement questionnaires, the characteristics for these enumerated persons are "substituted" by the computer from information reported for other persons. When master control counts are not available or the number of damaged forms is small, both the numbers and characteristics are substituted. In 1970, characteristics for more than 3 million enumerated persons were "substituted" for the two reasons described above. In 1980, the Bureau expects to hold substitution for these reasons to about 2¼ million persons.

Coverage Improvement—1980 and 1970

The Bureau's extensive coverage improvement program for the 1980 census is discussed in detail in a recent article by Peter Bounpane and Clifton Jordan of the Bureau staff.[14] Of the substantial improvements over 1970 procedures, two aspects of the 1980 coverage improvement program deserve special mention in the instant situation: The vacancy recheck and the post-enumeration post office check in conventional areas.

Vacancy Recheck. As the proportion of single, 2-person and 2-worker households has increased along with greater mobility, there has been growing difficulty in obtaining a census report for each occupied dwelling unit. One aspect of this problem has been a tendency on the part of enumerators to judge that a dwelling unit is vacant when, in fact, the residents were simply not home at the times the enumerator called. A special survey taken in the closing phase of the 1970 census showed that about one of every ten dwelling units classified as vacant by enumerators was actually occupied. Because the potential for even greater underenumeration from this type of situation grew during the 1970's and was clearly shown in the Bureau's intercensal surveys, a special, intensive recanvass of every dwelling unit classified as vacant is being undertaken in the 1980 census. Persons identified as omitted in this followup effort will, of course be added to the count.

In 1970, the magnitude of the problem of misclassification of dwelling units as

[13] *Dixon v. Hassler*, 412 Supp. 1036, 1976.

[14] "Plans For Coverage Improvement in the 1980 Census", *Papers and Proceedings of the Social Statistics Section of the American Statistical Association*, 1978.

vacant did not become apparent until initial field work had been largely completed. At that time, the cost, complexity, and delays associated with a recanvass would have delayed census processing to a point where the counts for apportionment probably would not have been available within the required time period. To correct this problem, a carefully designed and monitored program of substitution for units with a high probability of being occupied was used.[15] This use of substitution was of considerable concern within the Bureau and, even though the courts had regularly decided that the procedures used in the 1970 census were within the meaning of the Constitution and neither arbitrary nor capricious, a decision was made to recanvass completely in 1980, eliminating the need for the 1970-type activity.

The Post-Enumeration Post Office Check. About 5 percent of the 1980 population count is expected to be found in rural or remote areas where enumerators visit the household and complete or check the census form on the spot. The Bureau has learned that dwelling units are more likely to be completely missed than in urban areas. The Bureau, therefore, again enlisted the aid of the U.S. Postal Service in an effort to identify missed households. In 1980, a census enumerator will make an on-the-spot check of missed units as indicated by the post-enumeration postal service check. As with the vacancy check, this procedure will take place before the local census office is closed and any persons that were missed will be added to the count.

In 1970, by contrast, the timing and budgetary situation did not permit a direct canvass of post-office identified misses. Consequently, limited substitution was used in the South where the miss problem was most pronounced.[16] Because field procedures permit a direct early visit, no such substitution will be used in the 1980 census.

Coverage Improvement Vis-a-Vis Undercount Adjustment

Coverage improvement in the 1980 Census will rely almost entirely on strict observation by Bureau employees in reference to master control counts, rechecks or special recanvass procedures. *By contrast,* undercount adjustment means direct additions of persons to the basic count by statistical means alone, without any direct evidence of the actual existence of the persons or of the dwelling units in which they may reside. A variety of techniques are available for such adjustments, but they have the common characteristic of assigning individuals to a specific geographic area. Such assignments would have an uncertain effect on accuracy; they may make the resulting estimates for the majority of areas less accurate even as they bring the national total closer to the "true" population. As indicated by the proceedings of the Conference on Census Undercount,[17] there is no consensus on an optimal procedure for such allocation.

May 13, 1980.

Appendix A

Memorandum For: Vincent Barabba, Director, Bureau of the Census.
Through: Courtenay M. Slater (C.M.S.), Chief Economist for the Department of Commerce.
Subject: 1980 Census: Statistical Adjustment for Undercoverage.

Apparent undercoverage in previous decennial censuses has led to widespread interest in the possibility of statistical adjustments to the 1980 census data. Extraordinary efforts have been undertaken by the Census Bureau to achieve the most complete coverage possible in 1980. The extent of any undercount will not be known for some months. You are now engaged in an active and systematic process of examining the validity of various methods of measuring and analyzing a possible undercount in the 1980 Census, as well as the desirability of making adjustments once the existence and extent of an undercount is determined. This process should continue with the following guidelines.

1. Planning for and execution of a program to evaluate census data should continue to be given high priority by the Bureau and should proceed as expeditiously as is consistent with good professional standards.

2. There should be full and frequent consultation with the Chief Economist and the General Counsel throughout this process.

3. Federal agencies and interested parties among the general public should be kept informed regarding the Bureau's examination of this issue and should be given adequate opportunity to comment on the approach being taken by the Bureau.

The culmination of this process should be a decision by the Director of the Census Bureau on whether and how any statistical adjustment should be made to 1980 census data. This decision should take full cognizance of the importance of:

(1) the need for confidence that any adjustment will produce more accurate information regarding the distribution of the population and the relevant characteristics of that population;

(2) the defensibility of any adjustment methodology that may be used;

(3) a continued public perception of the accuracy, reliability, and objectivity of census data; and

(4) the very great public need for accurate and timely data about the U.S. population and its characteristics.

Even if there were some basis for an adjustment of the population count to be used for apportionment of the House of Representatives, I do not believe that any adjustment can be made prior to the statutory deadline for the delivery of this information to the President. I do expect, however, that by the end of this calendar year, or shortly thereafter, you will be prepared to announce a decision on adjusting the census data for other uses.

I should appreciate receiving from you a detailed description of the process to be followed in arriving at the above decision, and shall expect you to take direct personal charge of this process.

Philip M. Klutznick,

Secretary of Commerce.

Appendix B—Assumptions Discussed at the Second Census Undercount Workshop

1. A simple synthetic adjustment procedure would be timely.

2. The courts will accept adjusted Census Bureau numbers.

3. Any adjustment of the census counts will increase the demand for further adjustments for racial, ethnic, and socioeconomic groups.

4. The Census Bureau will continually examine, evaluate, and share its understanding of undercoverage throughtout the decade.

5. The nature of the Congressional legislative stucture and process, and knowledge of the complexity in determining gains and losses, will lead to maintaining the status quo, i.e., the use of *straight counts.*

6. Any adjustment procedure implies two sets of population counts—one adjusted and the other unadjusted.

7. There would be "numerator-denominator" difficulties in the use and interpretation of census data if not all census figures are adjusted.

8. The Census Bureau has to take into account the major uses of its data in making its decision whether or not to adjust.

9. Minorities will insist on complete adjustments at the lowest geographic levels, because they believe that this will bring them closer to the truth and equity in funds allocation.

10. The Census Bureau has the ability to develop a statistical and analytical methodology which will permit adjustment of *critical variables* (e.g., selected subnational geographic units and selected characteristics) in a timely fashion.

11. The Census Bureau can change operational procedures to improve timeliness, detail, etc., of a complex procedure for adjustment of census counts.

12. A simple synthetic adjustment procedure will not meet Census Bureau standards for accuracy.

13. Major users of census data are capable of using multiple sets of data.

14. Given the estimated magnitude of the undocumented resident population and the fact that our policy was to count all residents,

[15] See, Joseph Waksberg and Margaret A. giglitto, *The Effect Of Special Procedures To Improve Coverage In The 1970 Census, April 1973; and Bureau of the Census, Effect Of Special Procedures To Improve Coverage In The 1970 Census,* PHC(E)-6.

[16] *Effect of Special Procedures To Improve Coverage In The 1970 Census,* PHC(E)-6.

[17] *Conference On Census Undercount,* July 1980.

it is important to attempt to incorporate an allowance for this group in the expected (i.e., corrected) population and hence in the estimates of the undercount.

15. Given the potential for reducing the great uncertainty in our estimates of the undocumented resident population over time, the estimates of undercoverage will need to be modified with the passage of time for this reason.

16. The confidence of the Census Bureau to make a decision, to defend its position vis-a-vis stakeholders, and in its technical abilities has improved.

17. The Census Bureau is less hypersensitive to pressure applied by stakeholders.

18. All stakeholders must act through the Courts, Congress or the Administration.

19. It is assumed that the selected adjustment procedure will be accepted by stakeholders.

20. The anticipated reactions of segments of the public should not be the driving force behind the Bureau's decision to adjust or not to adjust.

21. If adjustments are to be made, the Census Bureau should formulate the procedures. This will promote a high standard of statistical rigor and encourage the appropriate use of census results.

22. Local area data required by Federal programs must be of sufficient quality to be credible in the courts.

23. Adjustment of census data would respond to widely expressed public policy needs.

24. In order for adjustment to improve program effectiveness, program agencies will require adjustment for key demographic characteristics, such as age and income, as well as for total population counts; however, adjustment for a limited number of key characteristics will satisfy the most important program needs.

25. The Administration will view support of the use of straight census counts to be consistent with expenditures for coverage improvement.

26. The Census Bureau has the ability to develop a statistical and analytical methodology which will permit adjustment of critical variables within 3 years of the census.

27. Regardless of the adjustment procedure used, there is currently no adequate methodology for measuring the quality of the adjusted figures.

28. Bureau professional staff would support the use of actual census counts rather than adjusted figures until the methodology area determines that there is a statistically acceptable adjustment technique.

29. Most stakeholders will expect that an adjustment procedure will be applied to all levels for which they have program interest.

30. No currently available adjustment procedure will provide more accurate numbers than the actual census counts for all units of government.

31. If an adjustment to census data is made, minorities other than Blacks will expect the Bureau to develop separate adjustment ratios to cover their populations.

32. An adjustment procedure would receive initial support from a wide range of stakeholders; however, there will be active opposition to the adjustment as the effects become known.

33. Pressure for a timely adjustment may force the Bureau to make an adjustment that does not make use of the information that will become available from the full set of evaluation studies. As more information becomes available, additional adjustments will be called for. Multiple adjustments could lead to more litigation.

34. A Bureau decision to adopt an adjustment procedure that is not statistically defensible is a step toward politicizing the Bureau.

35. Adjustment of census counts will result in the perception that the Bureau has changed the numbers for political purposes.

36. Adjustment of 1980 census data will raise serious doubts about whether the current investment in data collection should be repeated for the next census, whether the costs of data collection for surveys and other censuses are cost effective, and whether rigorous statistical standards for data quality are necessary. Concerns about response burden could intensify and the high levels of respondent cooperation could diminish.

Appendix C—References and Background Material

Discussion Toward the 1980 Undercount Adjustment Decision

1. Bounpane, Peter, and Mayer Zitter. "Technical Issues in Adjusting for the Census Undercount," presented at the 1980 Annual Meeting of the American Statistical Association, Houston, Texas: August 11–14, 1980.

2. Letter to the Honorable William Lehman, Chairman, Subcommittee on Census and Population, House Committee on Post Office and Civil Service, from the Comptroller General of the United States, November 9, 1978, GGD–79–7.

3. National Academy of Sciences, National Research Council, Assembly of Behavioral and Social Sciences, Committee on National Statistics, Panel on Decennial Census Plans. *Counting the People in 1980: An Appraisal of Census Plans.* Washington, DC: 1978.

4. Passel, Jeffrey S. and Jacob S. Siegel. "Measuring the Coverage of the Hispanic Population of the United States in the 1970 Census by Demographic Analysis," revised version of a paper presented at the 1979 Annual Meeting of the Southwestern Social Science Association, Fort Worth, Texas: March 28–31, 1979.

5. Siegel, Jacob S., Jeffrey S. Passel and J. Gregory Robinson. "Preliminary Review of Existing Studies of the Number of Illegal Residents in the United States," Working paper for the research staff of the Select Commission on Immigration and Refugee Policy, January 1980.

6. U.S. Bureau of the Census. *Conference on Census Undercount, Proceedings of the 1980 Conference,* Washington, DC: July 1980. See especially:

"The Census Bureau Experience and Plans," Jacob S. Siegel and Charles D. Jones

"Adjusting for Decennial Census Undercount: An Environmental Impact Statement," Peter K. Francese

"The Impact of Census Undercoverage on Federal Programs," Courtenay M. Slater

"The Impact of the Undercount on State and Local Government Transfers," Herrington J. Bryce

"Should the Census Count Be Adjusted for Allocation Purposes: Equity Considerations," Ian P. Fellegi

7. U.S. Bureau of the Census. "Coverage of Population in the 1970 Census and Some Implications for Public Programs," *Current Population Reports,* Series P–23, No. 56, Washington, DC: U.S. Government Printing Office, 1975.

8. U.S. Bureau of the Census. 1970 Census of Population and Housing, *Evaluation* and Research Program, "Estimates of Coverage of Population by Sex, Race, and Age: Demographic Analysis" Issued February 1974, Reprinted June 1976.

9. U.S. Bureau of the Census. *Proceedings of the Census Undercount Workshop, September 5–8, 1979,* Washington, DC: October 2, 1979.

Framework for the Decisionmaking Process

10. Mason, Richard O. and Ian I. Mitroff, *A Primer for SAST: Strategic Assumption Testing and Surfacing for Strategic Management.*

11. Toulmin, Stephen, Richard Rieke and Allan Janik. *An Introduction to Reasoning.* New York: Macmillan Publishing Co., Inc., 1979.

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Monday
October 20, 1980

Part IV

Department of Education

Research in Education of the Handicapped: Proposed Rules and Announcement of Closing Date for Transmittal of Applications for Certain Projects for Fiscal Year 1981

DEPARTMENT OF EDUCATION

45 CFR Part 121h

Research in Education of the Handicapped

AGENCY: Department of Education.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Secretary proposes to revise the regulations for the Research in Education of the Handicapped Program to clarify the definition of eligible applicants, and to reflect administrative policy decisions regarding Federal direction of the program.

These regulations make explicit that both nonprofit and profit making organizations are eligible to participate in the program. They also provide a means for the Secretary to direct portions of available funds to particular types of research and model program activities through the establishment of priorities for major program activities.

DATES: Comments must be received on or before December 19, 1980.

ADDRESSES: Comments should be addressed to Jane Case Williams, U.S. Department of Education, Office of Special Education, Room 3117, Donohoe Building, 400 Maryland Avenue, S.W., Washington, D.C. 20202.

FOR FURTHER INFORMATION CONTACT: Jane Case Williams. Telephone (202) 245-3387.

SUPPLEMENTARY INFORMATION: This program sponsors both research and model projects. Research projects are designed to identify and solve critical problems involved in educating handicapped individuals and to translate those solutions into the development of practical techniques and materials. Model projects develop and implement innovative approaches to the education of the handicapped.

The program is authorized to support research activities and model programs through grants or contracts.

These proposed regulations amend the present system of selecting annual priorities for funding. The Secretary has determined that the funding priorities for model programs in the current § 121h.10 are inadequate.

The following amendments are proposed:

(a) The revision of § 121h.3 to clarify that profit making organizations are eligible for contracts under Part E of the Education of the Handicapped Act.

(b) The revision of § 121h.4 to define both Research and Model Programs.

(c) The deletion of § 121h.5 as unnecessary due to the addition of the new §§ 121h.9 and 121h.12.

(d) The addition of new § 121h.9 to list priority areas from which the Secretary may annually choose priority areas for funding Research and Model Programs.

For the Student Initiated Research priority area, the Secretary proposes to limit eligible applicants to post-secondary students to assist in the implementation of the State-wide personnel development plan mandated by Part B of the Education of the Handicapped Act.

(e) The addition of a new § 121h.10 to explain how the Secretary selects and announces a priority area.

(f) The addition of a new § 121h.11 to explain that the Secretary establishes a separate competition for each selected priority, and to discuss how the Secretary treats an application that addresses both a priority and non-priority area.

(g) The addition of a new § 121h.12 to state that, regardless of any priority area selected by the Secretary, the Secretary funds a separate competition each year to accept applications for any activity authorized under Part E of the Education of the Handicapped Act.

Invitation to Comment

Interested persons are invited to submit comments and recommendations regarding the proposed regulations. Written comments and recommendations may be sent to the address given at the beginning of this preamble. All comments received on or before December 19, 1980, will be considered in the development of the final regulations.

All comments submitted in response to these proposed regulations will be available for public inspection, during and after the comment period, in Room 3165, 400 6th Street, SW., Washington, D.C. between the hours of 8:30 a.m. and 4:00 p.m., Monday through Friday of each week except Federal holidays.

Citation of Legal Authority

A citation of statutory or other legal authority is placed in parentheses on the line following each substantive provision of these regulations.

(20 U.S.C. 1441–1444))

Dated: October 15, 1980.

(Catalog of Federal Domestic Assistance No. 84.023, Research in Education of the Handicapped)

(Sec. 641–644, Education of the Handicapped Act, as amended 84 Stat. 185 (20 U.S.C. 1441–1444), unless otherwise noted)

Steven A. Minter,

Acting Secretary of Education.

The Secretary of Education proposes to amend Title 45 CFR Part 121h as follows:

PART 121h—RESEARCH IN EDUCATION OF THE HANDICAPPED

1. Section 121h.3 is revised as follows:

§ 121h.3 Eligible parties.

The Secretary may make grants to or contracts with States, State or local educational agencies, institutions of higher education and other public or nonprofit private educational or research agencies and organizations. In addition the Secretary may award contracts to profitmaking organizations.

(20 U.S.C. 1441–1442)

2. Section 121h.4 is revised as follows:

§ 121h.4 Research and model projects.

(a) Research projects supported under this part are designed to generate knowledge about the education of handicapped children and to translate such knowledge into practical techniques and materials.

(b) Model projects supported under this part develop and implement innovative educational programs that serve handicapped individuals either directly or indirectly. These projects are designed to—

(1) Improve significantly an aspect of the education of the handicapped population;

(2) Continue beyond the award period; and

(3) Provide for the dissemination and replication of a successful program.

(20 U.S.C. 1441–1442)

§ 121h.5 [Deleted]

3. Section 121h.5 is deleted.

4. Sections 121h.9 and 121h.10 are revised as follows:

§ 121h.9 Priorities for Research and Model Programs.

The Secretary may select annually one or more priorities from the following:

(a) *Research Integration Projects.* This priority supports projects that examine the state of the art in areas related to education of the handicapped and that analyze and interpret future research needs in those areas.

(b) *Technology Utilization Research Projects.* This priority supports research on the actual use of technological devices and systems in schools and by students.

(c) *Assessment Research Projects.* This priority supports research on, the use of existing assessment instruments and systems related to education of the handicapped.

(d) *Youth Employment Research Projects.* This priority supports research into the role of the school in increasing the employability of handicapped children, and into any option open to handicapped children providing for the transition from school to work.

(e) *Ethnic or Racial Group Handicapped Research Projects.* This priority supports research dealing with the unique educational problems resulting from a combination of membership in a particular racial or ethnic group and handicapping condition(s).

(f) *Non-vocal Communication Research Projects.* This priority supports research in educational programs for non-vocal, severely handicapped children.

(g) *School Based Research Projects.* This priority supports research based upon data available from school records focusing on issues related to the implementation of Part B of the Education of All Handicapped Childern Act.

(h) *Student Initiated Research Projects.* This priority provides support to post-secondary students to initiate and direct a broad range of research and research-related projects focusing on the education of handicapped children. The Secretary proposes to limit eligible applicants to post-secondary students to assist in the impementation of the Statewide personnel development plan mandated by Part B of the Education of the Handicapped Act.

(i) *Related Services Demonstration Projects.* This priority supports innovative demonstration projects focusing on the provision of related services for handicapped children as defined by Part B of the Education of the Handicapped Act, and other facilitative services or activities which complement the implementation of that Act.

(j) *Secondary Age/Level Demonstration Projects.* This priority supports innovative demonstrations of educational services delivery to handicapped children who are of post-elementary age or grade level.

(k) *Specific Handicapping Conditions.* This priority supports projects focusing on the provision of special education and related services to language impaired, autistic, or seriously emotionally disturbed children.

(20 U.S.C. 1441–1442)

§ 121h.10 How the Secretary selects and announces a priority.

(a) The Secretary selects a priority based upon current needs in the education of handicapped children, as those needs arise in the implementation of Part B of the Education of the Handicapped Act.

(b) The Secretary announces the priority areas selected for each fiscal year in the Application Notice for that year.

(20 U.S.C. 1441–1442)

5. New §§ 121h.11 and 121h.12 are added as follows:

§ 121h.11 How the Secretary uses a priority.

(a) The Secretary establishes a separate competition for each selected priority area. An application which does not address a priority area will not be considered in the competition for that area.

(b) If an application addresses both a priority area and a nonpriority area, the Secretary may consider that part which addresses the priority area separately from that part which does not.

(20 U.S.C. 1441–1442)

§ 121h.12 Separate competition for all authorized research and model programs activities.

In addition to the use of any priority area selected under § 121h.9, the Secretary establishes separate competitions, under both the Research and Model Programs, for any activity authorized under Part E of the Education of the Handicapped Act.

(20 U.S.C. 1441–1442)

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