

THE BROOKINGS INSTITUTION

WEBINAR

TAKING THE PULSE OF THE COVID-19 ECONOMY

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Welcome and Introduction:

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Small Business Pulse Survey Overview

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Household Pulse Survey Overview

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Discussion:

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P R O C E E D I N G S

MS. AARONSON: Good afternoon. I am pleased to welcome you to this event, Taking The Pulse of the Covid-19 Economy, New Census Bureau weekly surveys, sponsored by the Hutchins Center on Fiscal and Monetary Policy at Brookings. We're very happy to have with us today staff from the Census Bureau, Ron Jarmin, Nick Orsini and Victoria Velkoff, who are going to describe new surveys the Census has designed and implemented so that we can better understand in real time the impact that the Covid-19 pandemic is having on our economy.

When they are done discussing the new data, they will join us in a panel discussion moderated by our own David Wessel, Director of the Hutchins Center. Also joining that discussion will be Daniel Goroff, Vice President and Program Officer of the Alfred P. Sloan Foundation, who has been a valued partner to the Economic Studies program over the years.

Before turning over the mic to our census guests, I just want to express how pleased I am that we are hosting this event. The country is in the midst of an economic calamity, the likes of which we have not seen since the Great Depression. In order for the public and policy makers to make decisions, they need accurate, trusted and up to date information. However, many traditional statistics are only available with a lag of a month or typically much more, and they are not tailored to the special circumstances of the pandemic. So, these surveys will fill a much-needed gap. The new surveys are also a powerful symbol of the way that our government and our public servants are working quickly and creatively to ensure that the public and policy makers have the information needed to understand what is going on in order to make the best decisions possible.

So, I want to express my profound thanks to everyone at the Census who made this possible. With that said, I am happy to introduce Ron Jarmin, Deputy Director and Chief Operating Officer of the U. S. Census Bureau, who is going to start us off with an

overview of the project. Ron?

MR. JARMIN: Thank you, Stephanie. I too want to echo your appreciation for the hardworking staff of the Census Bureau that has done just yeoman's work of putting these surveys together, while we were also replanting the fieldwork for the 2020 Census. I would get in trouble with some of my colleagues back at the Bureau if I did not mention that we are doing the 2020 Census. My Bayesian prior is that most of the people watching this have probably filled out their Census, but just in case you have not, I would really appreciate you going on 2020census.gov and filling that out for us.

So, these surveys are a great example of how we are trying to make the Census Bureau more modern, more nimble, and more responsive to our data users. Typically, during a disaster, a crisis situation, we roll out a bunch of data that is relevant to the crisis, but like you said, Stephanie, often those things are based on source data that are dated, sometimes with a substantial lag. That is true, whether they come from surveys that we conduct or whether they come from administrative sources. Those have a particular lag as well. We are looking at a lot of research into more timely, more granular data sources, especially for those such as the retail sector where we can get point of sale data or credit card data. Those are still in a very experimental phase and we are using those in some of our economic indicator programs, but they are just not ready to cope with the daily needs of the country in a crisis like the one we have right now. So, I think when we looked at this, our options were some very timely administrative data that we do get from the Internal Revenue Service on filings on employee identification numbers and Nick is going to talk about those after he describes the Small Business Pulse Survey with our business formation statistics and we're able to take those data with a combination of a modeling and what have you to produce some weekly information from administrative data, but for the most part, most of the things that people wanted to know about in the current Covid-19 crisis, we really needed to go to a survey platform to do that, to get timely and granular data. I think we were really fortunate that we were able to find the resources to do this. It has been a lot of work over

the past weeks and we are very excited to share the information with the EDU users. We really do think that this is going to help both the public, but especially the folks who are responsible for responding to and helping the country recover from the crisis. So, with that, I will turn it over to Nick Orsini who is going to talk about our Small Business Pulse Survey and then we will hear from Tory Velkoff after that. So, thank you.

MR. ORSINI: Can everybody hear me and can you see my screen? Okay. Very good. So, I am going to talk a little bit about the Small Business Pulse Survey I'll just jump right in here and provide an overview. So, the Small Business Pulse Survey is a high frequency, weekly survey intended to collect information on the challenges small business are facing in the face of Covid-19. It consists of about 16 questions and takes about 5 minutes to complete.

Over the course of 9 weeks, we will reach 900,000 businesses and the collection period will begin on April 26th and it will complete on June 27th. Results will be released as experimental data products. The goal of this survey is to provide some timely, real time information on the impacts of Covid-19 and demonstrate the Census Bureau's ability to be agile in responding to situations such as this. We estimate that it took 32 days to get from the conceptual development of this survey to the field, which is somewhat remarkable for public sector surveys.

I will talk a little bit about the methodology, the target population for this survey is single location employer businesses with receipts of less than \$1,000 and with less than 500 employees. We need it to turn this around relatively quickly. So, we used a new concept in order to reach respondents through email only. This definitely reduced the expense in reaching our respondents. It was somewhat necessary in the face of our national processing center being closed.

Some of the content -- we opened the survey with a question on over all well-being. It is an open-ended question. We designed it that way. We are looking to hear overall, not just specifically in the financial area or based on revenues. We want to get a

conceptual over all well being that the businesses are facing. Then we start with touching on operations. We ask 3 questions on challenges. We get into some financial questions. Then we end the survey with a question on outlook and the business's outlook and returning to normal operations. We asked one identifying question. We asked businesses to provide us with their EIN, which we could later use to link to other data sources in the Census Bureau, and we could also use it to verify the respondent.

Where do we find results? So, this is the web site of where we are putting all the results from the survey. We have a tool for the Small Business Pulse Survey that allows you to make fast and easy comparisons between sectors and states. We see how the pandemic has a differential impact time series. Charts will be available Thursday, May 21st. That is tomorrow when we publish weeks 2 and 3. Right now we have week 1 available. Tomorrow we will publish weeks 2 and 3 to get caught up. Then every Thursday afterwards we will publish the prior week's data.

Let's get into some results here. So, on the survey, we have an open-ended remarks area where businesses could tell us what they are feeling. So, in the first 3 weeks, we have collected over 8,000 remarks each week from businesses. This kind of verified the fact that businesses are eager to tell us how they are feeling. Just from a simple key word, aggregation, you could see what rises to the top of businesses' concerns here. We have PPP, loans, close, rent, things mainly dealing with finance rising to the top.

Let us get into some of the questions here. Question 1 asks overall, how has this business been affected by the Covid-19 pandemic. You know, as we somewhat expected, there is a huge negative impact. So, if you look at the first 2 categories, almost 90 percent of businesses noted a negative impact, something we kind of expected. We dive into Question 1 a little bit more. These negative impacts are being seen in food and accommodations, which is next 72. I am not sure if you can see that on the screen, but it is over to the right. Also, in the education services, health services, and art and recreation, we see larger negative impacts.

I will skip to Question 4. Question 4 asks in the last week, did this business temporarily close any of its location for at least a day. Locations closing was kind of split. We had 59 percent saying no, and 41 percent said yes. The biggest yeses were in educational services and in entertainment, which are somewhat expected as well.

Question 5, in the last week, did businesses have a change in the number of paid employees? So, this was kind of split as well. We had 28 percent said down, 4 percent were up, and 68 percent said no, we did not have a change in the number of paid employees. Keep in mind that this is the first week of the survey covering April 26th through May 2nd. So, one of the benefits of releasing the weekly data is we will be able to look at time series for these particular questions by state and by industry.

Question 8, in the last week, did this business shift to the production of other goods and services? We had an overwhelming no here, with 93 percent saying no. The biggest yes was in educational services which had a 20 percent change, but this gives us the idea that businesses are not able to easily pivot from one industry and one production model to another, though we have heard about businesses manufacturing ventilators and shifting their production lines. Well, it is not very easy to do, according to the results we are seeing.

Question 10, how would you describe the current availability of cash on hand for this business? You know, about 66 percent of all small businesses say they have less than 2 months of cash on hand, which is somewhat concerning, thinking that we are in week 10 of his activity.

Question 13, has this business requested financial assistance from any of the following. You can see on the left-hand side, overwhelmingly PPP has about 75 percent of businesses requesting assistance. I will quickly go to the next slide. You can see, digging a little deeper, the highest request for PPP was in food services and accommodation with over 85 percent requesting assistance.

The next, which is the closing part of that discussion, has this business

received financial assistance from any of these programs. We see that over 38 percent have received PPP, which is about half of those reporting applying for PPP. Just keep in mind that this is not the total universe of those applicants for PPP as received by the agency providing the assistance, but still tells the story that in the first week, about half of those businesses have received assistance.

Finally, Question 15 gives us an indication of the future. How much time do you think will pass before this business returns to its normal level of operations and it is somewhat encouraging to see in the first week that only 6 percent of the businesses say they will never return to their normal levels of operation. Again, we will see how that changes as the weeks go by and we have a time series to use.

The schedule -- our current plans are to run weekly through the end of June. Week 9 will be mailed on June 21st and close on June 22nd, published on July 2nd. Tomorrow we will be publishing weeks 2 and 3, and I was just told about an hour ago that we actually released the metro level data. So we are producing data for the 50 largest metropolitan areas and we are also producing data down to a 3-digit negs level. So, that is available right now for week 1. It will be available for weeks 2 and 3 tomorrow.

Future. We are currently assessing a potential and the need for a second phase of this. So, Phase 1 was kind of -- we learned somethings from Phase 1. We had some discussions on the content with our partners stakeholders who were heavily involved with this. We are now assessing a Phase 2. These are some of the content topics we are considering and we will continue working with our partners in ONB to keep everyone informed of a 2nd phase of this.

I want to shift gears real quickly to another weekly series we developed as a result of the Covid-19 situation, our business formation statistics. I will provide a few slides on these. The business formation statistics are an aggregation of administrative records. They are typically published quarterly, but with a few processing changes, we manage to produce them on a weekly basis. They are available on a state level on a weekly basis. We

publish a total business applications number, as well as 3 additional series each Thursday at noon. So, the 3 additional series consists of a high propensity business application. These are businesses, that, through a model, have a greater tendency to actually become employer businesses. We have a business applications with planned wages, and also a business application from corporations. Skip the next. Okay.

This is what we have seen over the last several weeks in our business formation series. So, definitely seen a significant drop in applications through all the series; however, the total business application series is almost starting to show a positive gain as of last week. So, we will see Thursday if that pushes over the zero-percentage mark. There is also a tool available for the business application series. It provides data at the state and regional level, and all the data is also downloadable.

Finally, we have a new visualization that we recently created which overlays the weekly unemployment insurance claims with the business formation. So, you can see the relationship between the lack of business formations and the claims that are within the state.

That is the end of my presentation. Now, I will turn it over to Victoria to talk about the household poll.

MS. VELKOFF: We are really excited to be here to be talking about the Household Pulse Survey that we put together to measure the social and economic impacts of Covid-19. We really designed the survey so we could deploy quickly and efficiently and collect data on a range of ways in which people's lives were being impacted by the pandemic. Since the environment and circumstances we are operating in are changing so rapidly, we designed this so that we could quickly assess and report on critical issues as fast as possible. We started having conversations about this survey on March 23rd and we wanted to get into the field as soon as possible. We also worked with partners, our partners in the Federal statistical system, so BLS, the National Center for Health Statistics, HUD, the National Center for Education Statistics, Office of Management and Budget, USDA's

Economic Research Service. We are really thinking of this as like a proof of concept to show that the Federal statistical system can react quickly to provide data when a pandemic like Covid hits.

I am going to talk a little bit more about the methodology behind our survey. We decided to use a platform called Qualtrics, which was being used by people on the research side of the House at Census. It already had a Fed Ramp Moderate Authorization and it had a Census Bureau Authority to operate. So, we thought we could use it to quickly get the survey going. As Nick said, our National Processing Center was either shutting down or shut down as we were talking about these surveys. We knew we could not mail out a letter invitation like we typically do for our household survey. So, we decided we would use emailing and text to invite people to take the online survey. So, this is something pretty new for us at Census. We have an email and phone contact frame. We match that frame to our master address file. Our master address file has all addresses in the U.S. in it. We found that the phone frame had about a billion phone/address pairs that covered about 88 percent of addresses in the country. The email frame contained just under 700 million email address pairs which covered about 80 percent of the addresses in the country. The two frames do not overlap completely. So, we wanted to be able to both text and email. We worked very closely with our Federal partners to come up with the content. We used questions from existing surveys when we could, but of course, we were asking questions from the impact of Covid. So, we could not always do that. Typically at the Census Bureau, when we are putting in a new question, we do a lot of testing. We did not have the time to do that. So, we did a very rigorous expert review of both the English and Spanish questionnaire and also our contact groups.

The first couple of weeks of data collection, we also had an affinity panel text going which is where people can win and we did some probing around the new questions, particularly on food security and education. We also did a couple of experiments along the way because we are the Census Bureau. One was how to access a Spanish

translation and the other was how best to invite someone to a bilingual survey, using email and text.

Here is the content. Of course, we have the basic demographics. We have a series of questions about employment. So, we asked about employment income, expected loss of employment income, if people were working, reasons for not working if they were not working and of course, the answer categories for that question has some Covid related responses. We asked about food security, so we asked about past food sufficiency, whether people were getting free meals, where they were getting them from, money spent on groceries, and money spent on prepared foods. We also have a series of questions on health. We first asked one's overall health. Then we asked a series of mental health questions. We asked about health insurance and we also asked about a delay in getting health care due to Covid.

We have a few questions on housing, basic tenure, and then we asked if the person paid their rent and mortgage on time this month and what their confidence about paying the rent and mortgage next month is. Then we have a series of questions on education, asking about the impact of Covid on how children received education, whether they had access to a computer or an educational device, who provided the device, did they have internet, who paid for the internet, and the hours spent on educational activities.

We had a soft launch that led to a full implementation and this was an interesting learning experience. So, on April 23rd, one month after we started talking about the survey, we went into the field with the survey and we called this week 1A. We designed the survey to have a Thursday through Tuesday data collection period, so that we could process the data file on a Wednesday and send a new sample back out to the contractor on Wednesday to start data collection on Thursday. That first week we were only able to send out to 1 email address per map ID. Each map ID has up to 5 email addresses, but the first week we were limited to just `1. We were really somewhat disappointed with our response rate. We had about 18,000 responses and we were expecting quite a bit more. So, we went

back to the table and we decided we could keep the sample in the field for another week. So, we called it week 1B, and what we learned was the major email providers were sending our email invitations to spam. Our contractor was sending out hundreds and thousands of emails at a time from one census address and they went straight to spam. So, we had to work with each of the providers to talk them into not making our email spam. Luckily, our contractor had a good connection at Verizon and talked to them and we had someone at Census who could talk to Google for us. That took some time and we did not get that resolved until Thursday afternoon of that week. So, that week 1B was a Friday through Tuesday data collection. We also were able in week 1B to send out emails to the 4 additional email addresses for each map ID and we implemented a Spanish translation and a bilingual email invitation.

For week 2, again, we went out on a Friday. This time it was because we were starting to text and we needed a unique text number that we could put on our web site so people could check to see that it was a legitimate survey. It took some time to get that number. So, we started on a Friday. Week 1 was also the second interview for respondents who had completed the interviews from the first week.

For week 3, we have full implementation of text and email and we went out on Thursday and we closed yesterday at about 6:00 p.m. To give you some idea of our response rate, for week 1, which is A and B, we sent out about 1.8 million invitations. We got about 63,000 completed interviews and 11,000 partial interviews for about 74,000 total responses. That is approximately a 3.8 response rate. We were expecting a response rate of 4 or 5 percent. So, it is within range. And 15 percent of the week 1 responses came from sufficient partials. For the geeks out there, a sufficient partial for us is that when someone completed at least 30 percent or more of the survey.

Week 2 responses, we went out to a slightly smaller sample, just over a million. We had about 36,000 completed interviews, about 5,000 partial interviews, for just under 42,000 responses. That response rate was a bit lower at 1.3 percent and 13 percent

of week 2 responses came from sufficient partials. I am happy to report that we closed our data collection for week 3 last night. Last time I checked, we had 107,000 completed responses. So, we will be doing much better in week 3, and week 3 is when we had full implementation of emailing and texting. So, we released our data this morning on the experimental data product website. We have data for weeks 1 and 2. We also have static tables for this first level release. They are national level only. Next week we will put them out for the nation and the states and the 15 largest MSA's. We also have an interactive tool that has national and state data for selected indicators. We know that our partner agencies are also releasing data. So, I think NCHS is releasing data, perhaps today.

This is just to give you an example of what our interactive tool looks like. We are looking at these indicators over here on the left, Loss in Employment Income, Expected Loss in Employment Income, Food Scarcity, Delayed Medical Care, Housing Insecurity and Educational Attainment. This is the screen shot, but if you scroll over the states, you can see the states' responses. For this week only, we have a static chart over on the righthand side which just shows week 1 and week 2 totals for those indicators. You have the state data below and you can toggle between the weeks. We will keep improving this as we go.

I wanted to show you just a couple of the data items. The percent of households that had at least 1 person who lost employment income since March 13th, so 46.7 percent of adults lived in a household where at least 1 person lost some income since March 13th. That is on the left hand side. On the righthand side is expected loss of employment income in the next 4 weeks. So about 38.5 percent of adults are living in household where they think somebody will lose employment income in the next 4 weeks. As I said, we asked several questions about mental health. This one is about the graph on the left-hand side is about feeling anxious. The one on the righthand side is feelings of worry and you can see that over half of respondents felt anxious either several days or more and also had feelings of worry for several days or more.

This graph is about food sufficiency. You could see food sufficiency on the

left prior to March 13th, about 70 percent of the households had enough of the food and the kinds they wanted. If you look on the righthand side, it is food sufficiency in the last 7 days, and that drops to about 57.3 percent who had enough in the kinds of food that they wanted. Also, the proportion of having enough but not the kinds of food they wanted went up and obviously there's certain people that do not have enough food. So, sometimes not enough food.

So that is my very super quick presentation. Here is where you can find all of the data. We have a Household Pulse Survey main page. We have a data tool. We have got the data tables. We have got technical documentation and then we also have a survey respondent overview. That is all for me. I am going to turn it over to Danny, I think.

MR. WESSEL: Thank you very much, Vickie and Nick and Ron. We invited Danny Goroff to join this conversation because over the last several years, he has been very active in thinking about how do we make our economic statistics better and creatively thinking about how to build a consensus. So, we asked Danny to talk a little bit about putting these new experimental data into some context and he has apparently mastered slide sharings. So, Danny, the floor is yours.

MR. GOROFF: I'M Daniel Goroff. I am from the Alfred P. Sloan Foundation. The first thing I have to say is that the opinions I express here today are not necessarily those of the Sloan Foundation or of any other institution I might be affiliated with, but they should be. So, like most of you, I pray every day for the people who are working on vaccines, but once you get past the biomedicine and some very basic public health considerations, all of our other Covid challenges are social, behavioral, and economic. So, we really need tools and what kinds of tools.

Well, I would say that surveys really are part of the research infrastructure and they are very much like telescopes or other large laboratories, but these are our telescopes for the social, behavioral, and economic science. I just want to say that the small business pulse and the household pulse that we have heard about have really risen to the

top of my list of critical infrastructure like this, and it's really just a brilliant and extraordinary achievement for the whole Federal statistical system.

Some of you may know that it is a little bit of an exaggeration to call it a system. It is made up of many different pieces. It is known really more for a dedication to process and to accuracy than it is under normal circumstances for speed or cooperation or agility. So, this is really a remarkable achievement and it just shows what really government agencies and very dedicated government workers can accomplish and I would argue something that only the government can do. My one quibble is with the icon. We have seen this experimental data icon a few times and it seems to be a microscope. I think it really should be a macroscope. I'll take the rainbow and looking at what we can see after the storm, but I think that a better kind of a icon would have a little bit more of a celebration and a little bit more of a salute because I'll take anything that I can get these days, whenever anybody can accomplish something. So, that is my addition to the icon.

I did want to mention just a few of my other favorite surveys that are part of the researching infrastructure. Several of them here are funded by NIF, a few by NIH, but just to emphasize that these are grand, slow, and very venerable kinds of institutions. The longitudinal employer and household dynamics, the LEHD is something that the Sloan Foundation put a lot of time and effort into standing up before it was taken over by the Federal government. That just took many, many years. So, the idea of being able to do something like this in a few weeks is, as I say, totally extraordinary.

Let me just say a word about why some of these are my favorite surveys. Some of this is obvious and we have already heard about having useful and unambiguous questions and the survey design obviously the trend tracking, having some consistency over time the way this survey will. I also very much appreciate robust reporting, where there is some caution about causality. After all it is worth appreciating when people do not misrepresent the findings. Surveys like this, after all, are not experiments and drawing correlations is something that you can do very easily. Coming up with causal inferences is a lot harder and

I will just say 2 more words about that, which are Vitamin D. So, that is on the robust reporting, but let me spend a moment on the sampling strategy because that's really what sets all of this apart.

Having a really representative probability sample of a well-defined target population that is based on a really amazing sampling frame, that is really terrific. Not everyone can do that. In fact, really only the Feds can have access to this kind of detail and certainly to be able to put it together so quickly, it is really quite remarkable. So, this is something really that the Federal government, really using all the kinds of data, the frames that have been developed by the Census Bureau, only they can do that right now. Personally, I would like to argue that having more of that capability of computing weights available to others might be an element of the National secure Data Service if that comes into being. It has been called for by Congress and we will see, but that is a very interesting kind of work.

I would be remiss if I do not mention just a few of the kinds of emphasis topics that the Sloan Foundation has had. We have been extremely interested in trying to develop sustainable business models for these surveys. It is not so easy. Thank goodness that OMB was able to come up with the funding for this. We have been very interested in privacy and trust. I will mention open on differential privacy and just want to emphasize that the Census Bureau in particular has been a very, very responsible steward of individual and sensitive data and has been very careful about implementing the kinds of privacy protection that we expect these days. We are very interested in administrative data and how that can be used to bring survey techniques into the 21st Century. We also helped fund the Covid-19 Impact Survey, which was a forerunner to the official survey from the Census Bureau and the Federal Statistical System that we heard about today. We have also worked on setting up something called the Covid 19 survey archive. This is a joint work with the NSF and the National Academy of Sciences. It is part of a whole larger effort called SEAN and that stands for the Societal Experts Action Network. The idea is to start with questions that are

posed by decision makers, mayors, governors, people who really have urgent decisions to make, and to produce rapid, expert, consultations that are based both on the literature for social, behavioral and economic sciences, but also on the very latest survey data like the data that we've been hearing about. One of the elements of this SEAN network is an archive that we have put together that I would recommend to you that features a weekly summary of all the kinds of probability based high quality statistics that are being produced these days and that is meant to soon include -- there is work under way to include the Pulse data that we heard about today. It has a summary, as I said, that comes out every week of lots of different surveys. You can compare and contrast who is finding what, about how many say they would take a vaccine if it were found tomorrow. It started at 25 percent who said they would not and then another survey recently showed that a third of the people said that they absolutely would not take a vaccine if it were available. So, you can read about these kinds of trends. It also has an archive that is searchable. So, for those of you who love looking up all different survey results, you can look up here, the word "stress", and find all of the cases where again reputable surveys have asked questions with the word "stress" in the query and find also the results and a certain amount of documentation. So, that is another resource for people who are interested in these sorts of questions.

Let me just close by echoing what was said before. The Census has been doing amazing work, and especially while busy with just a few other responsibilities that they might have. That makes the accomplishment here even more impressive. There are many reasons for filling out your Census form that we know about, the dollars that have to flow in reapportionment and so on, but I just want to underscore that you should fill out your Census form because we really, really need these terrific and amazing and great sampling params. Thank you very much.

MR. WESSEL: Thank you, Danny. Now, we are going to bring everybody together. I have a number of questions from our audience. If you have a question, you can email it to events@brookings.edu or put it on Twitter at #COVID19Economy. The questions

really come in 2 different baskets. Some people are interested in the substance and a surprisingly large number of people are interested in the details of how you did this and what we learned from this. So, if we could unmute everybody. Tory, there was one thing you did not talk about, I would appreciate after we beat you over the head and said to keep your presentation to 15 minutes, that you had to make some choices. You asked an interesting question about housing security, whether people were having trouble paying their rent or mortgage on time or expecting to have a problem in the next months. I wonder if you have those results handy if you could just share those first.

MS. VELKOFF: I think I showed them in my presentation, yes?

MR. WESSEL: I am not sure you did, but –

MS. VELKOFF: Oh, I did not, but I probably — if someone can email them to me.

MR. WESSEL: I have the very nice summary that the Census Bureau did. So, why don't you unshare your screen. So, what you found was that about 11 percent of adults said they had trouble paying their rent or mortgage on time. Another 3 percent said they deferred payments, and when asked about the likelihood of being able to pay next months rent or mortgage on time, 21 percent reported only slight or no confidence in being able to do that. So, 1 out of 5 people is worried about paying their mortgage or rent on time. I found that a little bit unnerving. Questions like these, we can tell you have a number of weeks of results. We will not really have any sense of how they compare to what the world was like 3 months ago. Is that right?

MS. VELKOFF: That is correct. I do not think that we asked that type of question on either the CPS or the ACS. So, you are right. That is something that we have been thinking about ourselves. What was normal?

MR. WESSEL: Right. I mean, it struck me that over time we will see an interesting trend here, whether things are getting better or worse, even if the level is not — we do not know quite what to make of the level. Somebody asked how to look at the pulse

survey questions of employment income relative to the standard unemployment rate that we get every month. Are they just different questions?

MS. VELKOFF: They are different questions definitely. It is not an employment rate at all, but did you lose employment income or did somebody in your household lose employment income. So clearly different from what the employment questions are on the CPF. We were very specific. We did not want to repeat the questions that were on the CPF.

MR. WESSEL: I do not know enough about these surveys. This may not be an easy question to answer. It may be simple, but someone asked why did you have to go do another survey? Why could you not piggyback on the CPS or the ACS, the surveys that are already in the field?

MS. VELKOFF: When we first started talking, we actually discussed that. The ACS is a mandatory survey. So, it is very hard to add content to it. The CPS, of course, is the survey that collects the unemployment rate. We did add questions to the May CPS, but we wanted to get out there and be quick. The CPS takes a while and it is also; we do not like to rock the boat because it is measuring the unemployment rate. I think Ron remembers that we had this conversation. I said let us just start a whole new survey. It will be easier than trying to get it on surveys that exist already.

MR. ORSINI: I think one of the other things we wanted to accomplish was week to week variations, especially at the beginning. This was really a fast-moving situation that we had and even the CPS is a monthly survey that comes out with a pretty significant lag. If you want to provide timely information, this was really the only way we could go.

MS. VELKOFF: Right.

MR. JARMIN: Right. And I will just indicate that some of the indicators on the economic side usually hit the large companies. They are not really intended for the small businesses and the relatively small sample. So, this covers a much broader group of small businesses.

MR. WESSEL: Somebody asked why on the list of financial assistance that you do not include the employee retention tax credit.

MR. ORSINI: Yes, we have received that question already. Just when we released the data. So, the honest answer is that we were not really aware of that program, and our partners were not aware of it and we did not include it. So, that is definitely something we will consider for a Phase 2.

MR. WESSEL: So, as I understand it, you have an email address on a lot of businesses. Right?

MR. ORSINI: Correct.

MR. WESSEL: And so, but they are based on the 2017 economic census; is that right?

MR. ORSINI: That is basically where we're getting them. As we get updates through the other surveys, we will try to incorporate those? That is what we did also. We looked to see if there were updated email addresses based on some of our annual programs, but yes, for the most part, it is the 2017 economic census. There was a registration process for the economic census. They were required to provide a valid email through that process.

MR. WESSEL: Does that mean you will miss relatively new businesses?

MR. ORSINI: The register is updated often but not with email addresses. It could mean that, but we had over 96 percent delivery rate, which means a very small amount of these emails bounced back. Our response rate through the second week was over 25 percent. That is very encouraging as far as the survey reaching who we were intending it to reach.

MR. WESSEL: A lot of people seem to be interested in a more statistical information, standard errors, and stuff like that. Do you guys intend to provide more than you have already. Vickie, do you want to respond to that?

MS. VELKOFF: Yeah, sure. Next week we will be putting

out the micro data files and it will have the replicate rate, so people can calculate standard errors. I believe we have standard errors in our static samples that we released today and we will continue to do that. I do not know if we are going to put them in the interactive tool, but of course, we are the Census Bureau. We always to have other dates, so of course, we are doing that.

NR, WESSEL: Okay. That is great. Someone asked about the microdata. So, at least one person out there is happy if he or she is listening.

MS. VELKOFF: It is not coming out until next week though. So, they have to wait a week for that.

MR. WESSEL: I am tempted to say I cannot get anything Done at Brookings in the speed in which you are working at the Census Bureau. So, I will not be criticizing you about speed. Torey, I wonder if you could just explain just a little bit more about how you go about finding people and reaching them. You mentioned texts and email. If you have an address that is linked to an email, do you actually know that that person is at the address that you have? How does this all work?

MS. VELKOFF: We have the frame. We have matched what we think are good emails to addresses. Think about my address. You have my email. You have my husband's email. You have my son's email. They could all be in our contact frame. What we are doing is we are cycling through those emails as we go throughout the week. So we will send something to say, Bob, my husband. He does not respond. Then we will get an email to Torey Velkoff. So, we are cycling through the emails that we have and the same for the texts. It is true that you could have an email and we find that there are a few people – I'm thinking it was a thousand in the first week that they responded, but when they gave us their address, it was not the address that we thought it was. So, there is a little bit of movement.

MR. WESSEL: So, what do you do in that case?

MS. VELKOFF: In that case, I think we actually move them to where their new address is and wake them up with the weights for that, where they are living, not the address

that we thought they were living at.

MR. WESSEL: What is the texting about? Is the texting to reach people for whom you have a phone number, but not an email or what?

MS. VELKOFF: Yes, so yeah. That is an excellent question. We have been thinking about using texts to invite people to do our surveys for some time. It is both for people who we do not have an email or for people in that first week if we ask them if they would prefer us to contact them via text. Then we definitely sent them a text the second week to invite them to do the survey.

NR, WESSEL: I see. And how do you make sure that you are getting a representative set of Americans and not just people who happen to be on their email all the time?

MS. VELKOFF: Obviously, we control to population totals at the National and state level. We also have a control in there for educational attainment because we noticed that our respondents are slightly more educated than the American public. So, we are trying to deal with that with our controls. You know, obviously when you have a response rate of 5 percent, it is not the same as the response rate of what we are used to, 85 or 90 percent, but we are using our population controls to deal with that. We actually have coverage ratios on our website right now, so you can see how much we are waiting up or down.

MS. WESSEL: Just so lay listeners can understand, you do all these surveys and then you discover that you have a disproportionate number of people who have college degrees. So, you adjust the data so that you are reflecting the opinion of everybody; right?

MS. VELKOFF: Yes.

MS. WESSEL: Danny, if you have a question, please chime in. We can be very open. Ron, I am just curious a little bit about 1, well, 2 things. One is what should I take away as a consumer of this when you have experimental all over it. Does that mean you do not really believe it? Secondly, I am kind of interested in how you pulled this off bureaucratically. How did this get initiated and what were the challenges you faced?

MR. GOROFF: So, first of all, the experimental data products are really meant to get stuff out sooner, as opposed to later, so that users can evaluate and help us improve the data so that they then later become part of the standard released schedule of the Census Bureau. Clearly, obviously, a brand-new survey with a 5 percent response rate is not going to get the same information from the Census Bureau as the CPS or the ACS; right? So, you know, this is an attempt to do something to get good, solid, reasonably, carefully constructed information that maybe doesn't have all of the bells and whistles from a quality perspective that some of our baseline surveys do, but get it in the hands of people and see what they find useful and what they find objectionable about them and can we then improve them over time. So, I think this is just trying to be more nimble and get data in people's hands quicker is the main thing we are trying to do with the experimental data series. We had to go through the same paperwork production act activities with the Office of Management and Budget that we normally do. So, it was not just our staff that had to work extra hours for this. It was them as well and so we really appreciate their dedication and working after hours and on the weekends to help us what we all collectively thought were important surveys for the country to get out into the field. Obviously, going forward, to do these as sort of an ongoing thing in times of crisis, ways that we could streamline that process would be something that I think we should look into. We are thinking that we could stand sort of pull surveys up on a much more localized basis in the case of say, a hurricane in South Florida or something like that, where you really wanted to get some timely information about what people are doing, the folks that were impacted. So, we think this is a nice model. We would like to continue it, but obviously anything we can do to lower the cost of doing so would help a lot.

MR. WESSEL: Correct me if I am wrong, but I see a lot of surveys reported in the press. Some of them are not of the quality, the SEAN site that Danny mentioned -- some of them are a little frightening, when you see that they surveye3d 14 people who have the last name beginning with the letter S. Compared to what is out there, this is a large number of people you are reaching, compared to stuff that you see ordinarily; right?

MR. GOROFF: Yep.

MR. VELKOFF: Yes. I mean, when we had that response rate of 18,000 and we were very disappointed, I kept saying but 18,000 is a lot of people. Now for week 3, we have 107,000 people that responded to this survey. I just wanted to add to what Ron said. The fact that these were experimental really gave us the opportunity to try new things and make tweaks as we went along. I think that was really a new way of thinking for us at the Census Bureau, to be like oh, that is not working. Can we change the script? Can we try this? It seems to be paying off now.

MR. GOROFF: I think one quick thing is even when these go away, some of the things that we have learned about using emails and text messaging will probably migrate to some of our more baseline surveys. So, I think this was a lot of valuable learning, happened in this over and above just doing the full surveys.

MR. ORSINI: I will just add to that real quickly, is that we have used email very sparingly for some of our monthly indicators. I hope this is a signal to use it more broadly. It is also definitely a cost saver, you know, to email individuals and businesses, rather than sending out hundreds of thousands of pieces of paper.

MR. JARMIN: I see this as really a huge step forward in what all kinds of surveys can do to try to reach people and to get a representative sample in a less expensive way than knocking on doors or other methods. To the point about a representative sample, I have to say that I saw a very large survey that was done recently. I will not name the universities that were involved with this, but it was several of the most prestigious universities from around the world. They wanted to know what was happening with Covid and how it was impacting people. They put something up on the web and they just invited people to answer these questions. They were thoughtful about it to the extent of translating the questions into many different languages and so on. I realized that you could take this survey as many times as you want, if you care to make a bot. You could probably answer it thousands and thousands of times. So, the idea that this was in any sense representative of

the populations and the countries that they were looking at, let alone the world, is really very farfetched. So, the point is that it is not just the numbers. People sometimes talk these days as if the only problem ever in statistics was sample size. Now, that we have big data, we have got that one covered. The sample size is certainly important and this is certainly an impressive sample size, to be sure, but it is also getting a representative sample that is so important. Having those statistical frames that the Federal statistical system has really makes all the difference.

MR. WESSEL: I think we covered this, but the question came up again. So, I want to make sure we are clear. You are going to release microdata files on both the small business and the household surveys for people to look at and produce custom tables and stuff; is that correct?

MR. GOROFF: Correct.

MS. VELKOFF: Yes.

MR. WESSEL: So, Nick, I am just curious. When you looked at the results of the small business survey, what leaped out at you as being particularly interesting and maybe surprising, if anything?

MR. ORSINI: Well, I think most of the results were kind of in line with our expectations. When we put out our first release last Thursday, we did a briefing the day before for Ron and some representatives at the Small Business Administration and some of the results we were seeing on the financial assistance were a little concerning to us in the sense that we saw about 75 percent of businesses requesting PPP assistance and we saw only about 38 percent receiving. We had the reps there from SBA and they confirmed and we looked at it geographically and they said it was in line with their expectations as well. I think for the most part, it was in line with our expectations. Some of the results were not too encouraging, but I think we will see a better picture over time. This time series will add a lot of value to what we are seeing in week 1.

MR. WESSEL: Do you think it will be meaningful if we look, if we have 4 or 5 weeks

of data, to look and compare different states and how they are doing?

MR. ORSINI: Absolutely. I think that is a great comparison right now. You can see definitely a distinction between geographic areas. I have not had the opportunity to look at the metro data, but I think if you look at some of the metro data in the middle of the country versus on the coasts, there is definitely distinctions there to be made.

MR. WESSEL: I am getting some warning that my internet is unstable. So I am just going to turn off the camera until that passes.

MR. ORSINI: I think we are getting the same message. I am, at least.

MR. WESSEL: Torey, someone asked a broad question. You kind of touched on this, but I will ask you how it was asked. What stood out to you in the Household Pulse Survey, of all the interesting things you found there?

MS. VELKOFF: I think the mental health questions were disturbing but kind of reassuring at the same time, that people were all a little anxious and worried and we are measuring that, seems to be consistent with how people's lives are. That stood out and also the loss of employment income resonated with us. When we saw those numbers, we were very surprised.

MR. WESSEL: When you talked about doing the survey and you wanted to ask people questions about anxiety and depression and stuff, does everybody nod and say that is a great idea or is that like cause blood pressures to go up?

MS. VELKOFF: So, we worked very closely with the National Center for Health Statistics and those questions came from the National Center for Health Statistics. We let each agency give us the questions that they thought were most relevant and most important. Those questions have been tested on, I think, the NIHS. So, they are well tested questions and I think people are feeling anxious and worried right now. Things are happening that we are not used to. So, it is not a Census Bureau question. It is an NCHS question and I did not have any heartburn at all about putting it on the survey.

MR. WESSEL: What lessons would you take away from this whole process, good or

bad?

MS. VELKOFF: Well, we have learned a lot of things. Texting, for example, we sent our emails out starting around 2:00 a.m., so they would be at the top of people's email boxes in the morning. However, for texting, you cannot text in the middle of the night, particularly from the government survey. Right? You do not want to text on your cell phone. So, we had to text later in the day. So, that was one lesson we learned. To text, to get the survey invitation into the text, you have to have a very short message, so we got very creative about inviting people into a survey on a text. I think just using texting and emailing, since we have not done that on our surveys, was really useful and I've already started talking to the American Community Survey about what we're learning about texting because I know they've been looking into it for a while.

MR. WESSEL: Ron, is there anything you think we should touch on that we have not

MR. JARMIN: I think we have covered it. I think Danny's point about the frames is an important one. Maybe I will just put it differently here. I do not think we are pretending that these surveys are representative either, but we know at least some of the ways they are not representatives because we linked them back to the frames from which they were constructed. That is not everything. We do not have every piece of variation measured in the frames. Otherwise, we would just compute our statistics from the frames, but the notion that you've got to have something to sort of gauge how representative this is because people need – what we don't know about these surveys right now is the different types of behavioral things when a respondent gets them, vis-à-vis, most of our traditional methodologies. So, we will learn a lot about that over time and as we extend some of these contact methods to other surveys, we will be able to learn more and be able to do contact strategies to ensure that we get a more representative cross section of the population.

MR. WESSEL: I am thinking that some of this stuff we will be able to benchmark eventually, like we will know how many businesses applied for the PPP or how many people suffered a loss of employment income and some will never quite be able to benchmark

because of the nature of the question; right?

MR. JARMIN: I think that is right. Obviously, we will have some other administrative sources that we will be able to link to, both from programs that are touching households and businesses that are affected by the pandemic, but also just from our standard baseline activities as well. I think this is what we can do to get information in people's hands now, but people are going to be looking at this data and other data sort of mashed up, if you will, for years to come, and we will learn a lot from those exercises as well.

MR. WESSEL: Nick, somebody is asking about the Feds' Main Street lending program and whether that will be on your list. As I recall, your survey is for businesses with less than 500 employees: right?

MR. ORSINI: Right. That is the broad definition of a small business.

MR. WESSEL: So, is the Feds Main Street Lending Program one that you would put on your list or is that mostly for businesses that are slightly larger?

MR. ORSINI: I am not the expert on those types of questions. We will note it and the Federal Reserve was one of our partners in this effort. So, we will note it and as we reach out to them, we will bring that up as well.

MR. WESSEL: Okay. I want to thank all of you for your time and of course, thank the Census Bureau for your hard work, particularly at a time when many of us are being asked to work at home. As both Vickie and Nick have said, the survey results are up. It is pretty easy to find on the Census site. If you just Google census experimental surveys, these come up and Danny gave the URL for this interesting SEAN compendium of all those things. If you have any questions that we did not get to, please email us and we will try to get you the answers in some fashion. In the meantime, keep up the good work and stay safe. Thank you all.

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Carleton J. Anderson, III

(Signature and Seal on File)

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