

If a unit was imputed as occupied, or if the bureau otherwise believed it to be occupied, then it imputed a number of people to the household, as well as their characteristics. The current method of choice for imputation, known as the "sequential hot-deck" procedure, selects a housing unit proximate in processing as the donor of the characteristics. The statistical "model" underlying the imputation method is that the housing units are likely to be neighboring and have similar characteristics. In 1980, the bureau added 3.3 million people to the census through imputation. Of these, 762,000 were added into housing units for which the bureau had no knowledge, whether or not the units were occupied. Our understanding is that the numbers of imputed households and imputed individuals were much smaller in the 1990 census, in part because many of the units that would have undergone imputation were swept into the last-resort category.

These and other sources of error are usually grouped together into larger categories such as coverage error, nonresponse error, observational error, and data-processing error. Our central concern here is the impact of these sources of error on the coverage of the population. Some sources of error lead to omissions, and others to erroneous conclusions. The net error, omissions minus inclusions, is what we technically refer to as the undercount.

Judge Joseph M. McLaughlin's July 17, 1989, Stipulation and Agreement

The Settlement

The City of New York et al., v. United States Department of Commerce, et al., U.S. District Court Eastern District of New York, 88 Civ. 3474 (JMcL):

WHEREAS the Secretary of Commerce is vested by law with supervisory authority over the Bureau of the Census and the conduct of the Decennial Census and does not by anything said herein intend to relinquish any authority or decision-making power thereby duly vested in him, including without limitation the decision whether or not to adjust the 1990 Decennial Census; and

WHEREAS the Secretary of Commerce intends that the 1990 Decennial Census shall be conducted in conformity with all statutory and constitutional requirements including without limitation 13 U.S.C. §(b), (c) and in a manner designed to achieve the most accurate population counts practicable; and

WHEREAS the parties hereto at this time believe that the Census, including a post-enumeration survey and other adjustment-related operations, can and will be conducted in a manner that will result in the most accurate counts practicable, and no party has basis at this time

Appendixes B through I are verbatim extracts. For full citation information, please see the notes at the end of this volume.

to believe that the Census, including the PES and adjustment-related operations, cannot and will not be conducted in such a manner; and

WHEREAS the parties wish to avoid the burdens, costs, delays of unnecessary litigation.

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by and between the undersigned, that:

1. All pending motions, including plaintiffs' pending Motion for a Preliminary Injunction, are withdrawn.
2. Defendants agree and represent that, notwithstanding the decision by the Department of Commerce (the "Department") announced on October 30, 1987, that there would be no statistical adjustment or correction for undercount or overcount in the 1990 Decennial Census, and without conceding that that decision was incorrect, the decision is vacated, and the question of whether or not to carry out a statistical adjustment of the 1990 Decennial Census ("adjustment") shall be made by a thorough *de novo* reconsideration undertaken with an open mind, without any prejudgment, and consistent with the procedures set forth herein.
3. Defendants agree and undertake to conduct a post-enumeration survey ("PES") of not fewer than 150,000 households, a number defendants believe is sufficient for the purpose, and such other procedures or tests as they deem appropriate, as part of the 1990 Decennial Census in a manner calculated to ensure the possibility of using the PES, not solely for evaluation purposes, but to produce corrected counts usable for congressional and legislative reapportionment, redistricting and all other purposes for which the Bureau of the Census (the "Bureau") publishes data.
4. Defendants agree that the Department will promptly develop and adopt guidelines articulating what defendants believe are the relevant technical and nontechnical statistical and policy grounds for decision on whether to adjust the 1990 Decennial Census population counts. The Department's proposed guidelines shall be published in the *Federal Register* by December 10, 1989, with a request for comments. The guidelines shall be published in final form in the *Federal Register* by March 10, 1990.
5. Defendants shall determine whether an adjustment satisfies the guidelines specified in para. 4 hereof. If the Secretary determines to make an adjustment, defendants shall publish at the earliest

practicable date and, in all events, not later than July 15, 1991, a detailed statement of its grounds, including a detailed statement of which guidelines identified in para. 4 above were not met and in what respects such guidelines were not met.

6. Defendants intend to report census counts in accordance with the dates set forth in 13 U.S.C. §(b), (c). In the event that the Department releases or publishes any population counts from the 1990 Decennial Census prior to adjustment in accordance with para. 5 hereof, defendants agree that each such release or publication shall bear the following legend conspicuously on the first page:

The population counts set forth herein are subject to possible correction for undercount or overcount. The United States Department of Commerce is considering whether to correct these accounts and will publish corrected counts, if any, not later than July 15, 1991.

7. Defendants shall establish as soon as practicable and, in all events, not later than September 30, 1989, an independent Special Advisory Panel (the "Panel") to advise the defendants on all matters relevant to the implementation of this Stipulation and, in particular, and without limitation, the guidelines identified in para. 4 above, the application and achievement of the guidelines, the expedition with which defendants are proceeding toward decision on adjustment, and plans and schedules for the implementation of the Census and the PES in a manner that will result in the most accurate final census data at the earliest practicable time. The Panel shall be composed of eight persons, none of whom shall be employed by any of the parties hereto, of such knowledge, judgment, and probity that their judgment and advice shall be entitled to the utmost respect by the defendants. All eight persons shall be appointed by the Secretary of Commerce. The Panel shall have two co-chairs from among their number appointed by the Secretary. Each member of the Panel shall submit his or her recommendations to the Secretary.
8. The members of the Panel shall be entitled to call for and shall receive the fullest cooperation from defendants, including access to all necessary or appropriate information and the opportunity to consult with any employee of the Bureau. Defendants shall take all steps necessary to give each member of the Panel reasonable access to all relevant records and information, including administering appropriate oaths of secrecy pursuant to 13 U.S.C. §9.

The Panel or any member thereof may make such disclosures, consistent with all applicable statutory requirements, as it or he deems appropriate. The Panel may adopt such rules for its governance as it deems appropriate.

9. The Department shall pay the members of the Panel a stipend of \$284.80 per day for each day on which the Panel meets and such member is present and shall reimburse the members of the Panel for their reasonable and necessary expenses of travel and lodging in connection with the work of the Panel. The Department shall furnish the Panel with appropriate meeting and office facilities and clerical assistance. The Panel is entitled to retain appropriate assistants who shall be entitled to access to all materials made available to the Panel. Defendants shall make available to the Panel a fund of \$500,000 against which each co-chair may draw, consistent with existing laws, rules, and regulations governing the expenditure of appropriated funds, for appropriate resources to ensure that Panel members can perform their mission.
10. The Panel shall dissolve on agreement of the parties that all of its functions pursuant to this Stipulation have been satisfied.
11. Except as expressly set forth herein, the parties reserve all their respective rights, claims, and defenses. Specifically, and not by way of limitation, plaintiffs reserve the right to challenge any of the guidelines, decisions, or procedures adopted, omitted, implemented, or announced in connection with or arising out of this Stipulation.