STATE OF NORTH CAROLINA
OFFICE OF STATE BUDGET AND MANAGEMENT

JOSH STEIN
GOVERNOR

KRISTIN WALKER
STATE BUDGET DIRECTOR

November 2, 2026

Mr. Daniel Sweeney
Deputy General Counsel for Economic, Statistical, and Regulatory Affairs
Office of the General Counsel
US Department of Commerce
Washington, DC 20230

Re: Decennial Census of the Population of Americans: Proposed Residence Criteria and Proposed Regulations for Demographic Questions [USBC-2026-0628]

Mr. Sweeney:

On behalf of the North Carolina Office of State Budget and Management, we urge the US Census Bureau to withdraw the rules regarding residence criteria and demographic questions proposed for the 2030 Census. Our fundamental concerns are the following:

- The proposed residency rules will prevent North Carolina from obtaining a complete count of its residents, leading to potential underrepresentation in the US Congress and Electoral College.
- Besides being apt to confuse respondents, the proposed residency rules likely will result in sizable segments of our state's population, especially active-duty military personnel and their dependents, being counted in the wrong place.
- The use of administrative record matching may result in the improper exclusion of people from the census, thereby reducing public willingness to participate or trust the results.
- In addition to serious concerns about constitutionality and accuracy, the tabulation of a smaller apportionment population based on citizens and legal permanent residents raises questions about which value would be used in funding formulas that require population numbers.
- The proposed demographic rules would deprive North Carolina of critical information about its residents; without the benchmark data provided by the census, the state will lose its ability to generate accurate population estimates to guide state and local planning and funding.
- The cumulative effect of the rules will be to produce a less accurate, less precise count that will prevent public officials from understanding local needs, addressing community realities, and managing programs and funding as fairly, effectively, and efficiently as possible.

The following sections detail the potential negative impacts of the proposed rules on North Carolina, provide information of the kind requested by the government in the *Federal Register* notice, and offer constructive alternatives for achieving an accurate and comprehensive 2030 Census.

We also are enclosing, for your reference, copies of the public comments submitted separately by the following North Carolina state agencies: North Carolina Department of Administration and North Carolina Department of Military and Veterans Affairs.

Rule #1 (Part 60): Proposed Residence Criteria Are Unworkable and Will Generate Miscounts

Adoption of this rule will make it harder for North Carolinians to participate in the census, complete their forms accurately, be counted fairly, and know if they have been counted at all. The resulting miscounts may shift unfairly congressional seats away from North Carolina, and a lack of transparency regarding an expanded use of administrative record matching could undercut civic trust if people believe they were excluded randomly or erroneously from the enumeration. We therefore recommend that the Census Bureau withdraw the rule and instead rely on residence criteria like those used in Census 2020.

A. "Usual Residence" Definition Is Apt to Cause Confusion and Undermine Public Trust

The requirement to count a person at their "usual residence" has been part of every census since 1790. Historically, a person's "usual residence" is "the place where they live and sleep most of the time" relative to census day, which federal law specifies as April 1. Identifying a usual residence is simple for most people but complex for others, such as military service members, college students, people in group facilities, owners of multiple homes, homeless people, and seasonal workers. To handle such special cases, the Census Bureau develops policies, procedures, and processes each census cycle to ensure people with complicated residence situations are counted once, only once, and in the right place.

The proposed rule changes the definition of a person's "usual residence" to the place "at which they have lawfully spent the greatest number of days during the census enumeration period," defined as the period spanning January 3 to April 1. This will transform the census from an enumeration based on usual residence to one based on physical presence; the 2030 Census therefore would differ fundamentally from every prior census. We believe the shift to a census measuring physical presence while using a structure geared toward measuring usual residence is unworkable. At the individual level, for instance, is every person supposed to track voluntarily their daily location over a three-month period before completing a census form? The complexity of complying may simply lead people not to participate, leading potentially to more costly follow-up operations and population undercounts.

Beyond this extraordinary change, the proposal states that "a person's 'usual residence' should be consistent with, and evidenced by, their tax records (*e.g.*, tax returns, W-2 forms)." Yet there is no inherent relationship between a person's usual residence and the address used in tax and other administrative records. The Internal Revenue Service, for example, accepts post office boxes and agents' offices as addresses. And some rural and tribal communities lack direct mail delivery service, with residents required to visit a post office instead. For instance, most residents of the Qualla Boundary, the land trust for the Eastern Band of Cherokee Indians in western North Carolina, use post office boxes to receive their mail. How would their residency be determined? The proposal similarly is silent about the treatment of people who have transitory jobs or who are homeless and lack an address.

Even more troubling is the suggestion that the Census Bureau will use administrative records to verify a person's stated residence *after* they respond. Administrative records like tax returns, as the US Department of the Treasury notes, are ill-suited to proving residency. Among the flaws, there is a timing mismatch between the proposed census enumeration period, tax filing deadlines, and the required

dates for delivering apportionment counts. This could result in people being treated differently based solely on when they file their taxes or if they even are required to file taxes at all.

Finally, the proposal offers no detail about the mechanics of administrative record matching and how mismatches will be addressed. If a problem surfaces during the review process, will an affected person be notified and have a chance to correct a mistake, or would they simply be removed from the count? If the latter, how could any member of the public trust the accuracy of the published numbers?

B. Proposed Residence Rules Are Likely to Undercount Military Personnel

Of special concern to North Carolina is the proper enumeration of military personnel. The US Department of Defense reported 96,000 active-duty service members stationed in North Carolina in September 2025; only three states hosted more personnel. In addition, the department estimated that 55,000 spouses and 79,000 children and other dependents lived with these active-duty personnel.

For the 2020 Census, we were concerned about the residency criteria applied to military personnel temporarily deployed and their dependents. Thankfully, the Census Bureau listened to our concerns and revised the criteria to ensure we avoided potential undercounts of the population of our military communities. Unfortunately, by determining residency over a three-month period, the proposed rules will establish criteria like those used in the 2010 Census, when at least 10,000 service members were excluded from our count due to temporary deployments.

Additionally, many military service members and their spouses file taxes using their State of Legal Residence (SLR), which may differ from the state where they are posted and reside.[1] Any mention of tax records for verifying residency in 2030 likely will confuse military household respondents and artificially reduce the count of county and municipal populations where service members live. Since the decennial counts are used as a benchmark for annual population estimates, any undercounts would disproportionately impact federal and state per capita funding to military communities for a decade.

C. Proposed Rules Likely Will Undercount Households Displaced by Hurricane Helene

Confusion regarding the proper application of residence rules and the matching of administrative data is of crucial concern in the 26 counties (and the Eastern Band of Cherokee Indians) in western North Carolina declared eligible for all forms of federal public assistance after Hurricane Helene in 2024. These communities were among the most difficult to enumerate before the storm. For instance, the State Demographer estimated that 64% of the region's 1.1 million pre-storm residents lived in unincorporated rural areas. Even the area's incorporated municipalities were small, with 63 of 114 places having no more than 2,000 residents. Older adults accounted for a sizable share of the overall population, with a significant number of residents reporting one or more disabilities. The difficulties in counting the population in this area highlight the need to ensure the rules are conducive for a proper count.

While research suggests that many affected individuals have not moved far and are apt to return to their pre-disaster address, numerous individuals remain displaced. In August 2026, the Governor's

[1] The Service Member Civil Relief Act allows service members to establish a State of Legal Residence (SLR) based on their intent to live in that state at the completion of their service. Spouses can "borrow" their active-duty service member's SLR under the Military Spouse Residence Relief Act. See https://tinyurl.com/bdhavsvc.

Recovery Office for Western North Carolina reported that some 7,100 households were participating in formal temporary housing programs. Others were living in atypical situations, such as campgrounds that have become de facto permanent communities without mail service. The proposed usual residence rules fail to consider the unusual living situations found in Helene-impacted communities – situations that may result in residents lacking administrative records that match their actual residence. Simply excluding such people from the statewide and local counts would generate miscounts that distort political representation and the allocation of state and federal funds to recovering places.

While Hurricane Helene is most on our minds, North Carolina is not immune to major storms. Before the 2020 Census, over 4,000 people were displaced during Hurricane Matthew (2016), and over 21,000 people were displaced during Hurricanes Michael and Florence (2018). These rules could further compromise the completeness of North Carolina's count if other disasters strike before April 1, 2030.

D. Redefining the Apportionment Count Would Disadvantage North Carolina

The US Constitution—in both Article I and the 14th Amendment—states that the decennial census count all "persons." The proposed rule, however, asserts that the Census Bureau can exclude non-citizens from the apportionment base, which is the population used to allocate seats in the US House of Representatives among the 50 states. The rule proposes to include only US citizens and "citizens of foreign countries who are also either citizens or lawful permanent residents of the United States as of April 1 of a decennial census year" in the apportionment count. All other noncitizens, including those present on legal work or student visas, would be excluded. Again, this extraordinary change conflicts with the Constitution and all past censuses.

One way this rule would negatively impact North Carolina is by excluding nonimmigrant resident visa holders and other immigrants without permanent legal status. According to the US Department of Homeland Security, North Carolina was home to an estimated 100,000 nonimmigrant resident visa holders in FY 2024, a total greater than those in all but nine other states. The overwhelming majority of those individuals held some type of temporary work or student visa. In addition, an estimated 342,000 to 425,000 immigrants without legal status reside in North Carolina (about 3 to 4% of the state's current estimated population).[2] These immigrant groups contribute to the state's economy and finances and use services provided by the state and local governments (*e.g.* water, sewer, transportation). Arbitrarily excluding visa holders and others from the total count not only would affect North Carolina's political representation, but also hinder local planning in university communities, high-tech centers, and rural places with sizable numbers of agricultural workers.

This change raises the odds of population miscounts and misallocations of congressional seats. Recent decennial census forms have not asked about the factors (*e.g.,* place of birth, citizenship status, year of arrival) needed to separate citizens and permanent residents who would be included from non-citizens who would be excluded. The Census Bureau likely will need to add such questions to the forms, yet published research has found that including a citizenship question on the census form lowers self-

[2] Office of Homeland Security Statistics, US Dept. of Homeland Security, Estimates of the Unauthorized Immigrant Population Residing in the United States: January 2018 to January 2022; "U.S. Unauthorized Immigrant Population Reached a Record 14 Million in 2023" by Jeffrey S. Passel and Jens Manuel Krogstad, Pew Research Center, August 21, 2025; American Immigration Council.

response rates, especially in households whose members have mixed citizenship statuses. This could result in undercounts of both the total population and the total number of US citizens.

The proposal also raises two practical concerns. First, the potential use of administrative data to validate responses about citizenship and legal status raises questions about accuracy and transparency. Would someone flagged as being excluded receive notice and a chance to correct a mistake, or would they simply be omitted? Second, would the Census Bureau publish two sets of population figures: one with all people and one with a smaller apportionment population? If two numbers are published, which number would be used in federal funding formulas that require population numbers? And if only the smaller number is released, would communities receive artificially lower funding amounts?

E. Collective Changes Could Deprive North Carolina of a Congressional Seat for Unclear Reasons

North Carolina has been one of the fastest growing states. Between 2020 and 2025, the state netted an estimated 757,000 residents, due almost entirely to the migration of people from other parts of the country and the world into the state. Based on current trends, the State Demographer projects that the state will gain 1.3 million people over the 2020s, which would bring the 2030 population to 11.7 million and, by the mid-2030s, make North Carolina the nation's seventh most-populous state.

Current population estimates suggest that North Carolina is on a path to add a 15th congressional seat in 2030, all else equal. Apportionment, however, hinges on the population enumerated in the census, which is why counting every person in the right place is critical. Under this rule, if North Carolina were to fall short of the threshold, it would be impossible to know if the population truly was too small, was undercounted, or was counted improperly by the application of opaque administrative procedures.

Rule #2 (Part 70): Restrictions on Demographic Questions Undercut Effective and Fair Governance

Adoption of this rule will deprive the State of North Carolina and its communities of vital demographic information needed to understand community-level conditions, plan prudently, and administer state and federal programs effectively and equally. We recommend the Census Bureau withdraw the rule and instead conform the Census 2030 form with the race and ethnicity categories established in the revised version of Statistical Policy Directive #15 adopted by the Office of Management and Budget in 2024.

A. New Restrictions Would Deprive North Carolina of Critical Information about Its Residents

Under this rule, the Census 2030 questionnaire would not ask respondents to self-report their race and ethnicity in contrast to the Census 2020 form, which asked two questions, one for race and one for ethnicity. The justification for the ban is that subjects are irrelevant to apportionment, reduce response rates due to the sensitive nature of the questions, and conflict with new privacy disclosure standards.

The value of collecting such demographic information far outweighs any of the stated concerns. Comprehensive race and ethnicity data are indispensable to, among other critical purposes, drawing fair political districts, enforcing civil rights laws, delivering public services on an equal basis, and understanding health disparities. With inaccurate census data, billions in federal and state funding would be directed to the wrong communities, and public leaders would be unable to tailor resources to social or economic needs as efficiently, effectively, and fairly as they currently can. This outcome is especially likely since most states lack the financial and technical resources needed to conduct a population count comparable to the decennial census.

The proposed ban on questions about race and ethnicity applies to "the short form decennial census questionnaire or on any questionnaire used for the enumeration of the population" but appears to allow for the collection of such data in other census products or via linkages to administrative records. However, the data collected through the decennial census is the baseline to which all other census estimates are set and are critical components for the success of any matching schemes where administrative data is used to enhance census surveys and estimates.

Without the comprehensive demographic data collected through the census, it will not be possible to gauge the accuracy of Census 2030 and the extent to which it likely overcounted or undercounted different population groups. And as census data are embedded in many other programs, it likely will become impossible to generate accurate population estimates, including those used to direct billions in state and federal funds to local governments within North Carolina.

We are especially worried about the impact on our own annual population estimates and projections for which decennial census data serve as a foundational component. Our estimates currently guide the distribution of over $250 per person in state funding annually, and these estimates inform planning for schools, roads, public transportation, housing, healthcare, and other programs and services. We are concerned that if these rules are implemented as written, we would lack an accurate and complete population count against which to benchmark our own estimates and projections, thereby limiting our abilities to distribute funds fairly and to help agencies and local governments address community needs.

The racial and ethnic data collected in the census also provides the denominators used to compute fertility and mortality rates important to understanding historical demographic change and preparing population projections so that the state and local governments can plan for future education, transportation, water and sewer, and other needs. These denominators are used, too, for other statistical measures that help understand and address various types of health and social disparities. In addition, state and local governments, nonprofits, and businesses use these data for marketing purposes and to develop culturally tailored programs. It would be difficult to replicate the detailed race and ethnic data at the range of geographic scales captured through the decennial enumeration.

B. Related Demographic Provisions Are Unclear and Could Compromise Census Accuracy

The proposed rule contains other provisions of concern. The rule, for one, bans any questions about sexual orientation going forward. The Decennial Census has never inquired about sexual orientation, and the addition of such a question was not part of Census 2030 planning. It is unclear if this ban applies to the relationship question that asks about marital status, including whether a person is part of a same-sex marriage or relationship. Eliminating that information would make it difficult to understand relationship patterns.

The proposal additionally states that "no person shall be obligated to furnish a response to any demographic questions as part of the decennial census" apart from questions about biological sex, date of birth, and household relationships. Questions related to applying the residency criteria outlined in the first rule, however, would be considered mandatory ones (*e.g.,* a potential citizenship question). Currently, respondents are required to answer every question on the census form but creating a patchwork of required and optional questions likely will diminish the quality of the data collected.

###

Thank you for considering our comments about the negative impacts the two proposed rules are likely to have on North Carolina. These impacts include depriving the state of a complete count, misallocating political representation and financial resources, limiting understanding of the needs of local communities, and hindering the effective administration of billions of public dollars that funnel through state and federal programs. Moreover, a lack of vital demographic data will prevent North Carolina from generating accurate population estimates and projections and from addressing the needs of different communities. We therefore recommend that the US Census Bureau withdraw both rules.

Sincerely,





John Quinterno
Governor's Census Liaison

Dr. Michael Cline
State Demographer of North Carolina

Enclosures: Previously submitted comments from the following North Carolina state agencies:

1. North Carolina Department of Administration [4 pages]
2. North Carolina Department of Military and Veterans Affairs [3 pages]