

Congress of the United States
Washington, DC 20515

Make Sure the 2017 Business Census Includes Cooperative Businesses!

From: The Honorable Ed Royce
Sent By: Saate.Alety@mail.house.gov
Date: 4/21/2016

From: The Honorable Mark Pocan
Sent By: Sydney.Terry@mail.house.gov
Date: 4/21/2016

Dear Colleague:

On behalf of the newly formed bipartisan Congressional Cooperative Business Caucus, we invite you to join us in asking Secretary Pritzker to begin providing a checkbox for “cooperative” among the list of options provided in their survey question about Legal Form of Organization.

A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise. Businesses operating under a cooperative form utilize a model through which those using the entity’s goods or services are actively involved in the governance of the organization and whose profits belong collectively to them.

Cooperatives exist worldwide and inject \$3 trillion into the U.S. economy every year. They create millions of jobs; can be found in virtually every sector of the U.S. economy; and offer solutions to meet challenging public policy needs —from affordable housing, to quality sourced food, greater access to electricity, banking and credit needs, and for early childhood learning. They spur economic growth in underserved rural and urban America; empower individuals, families and communities; and ensure that people have access to high-quality goods and services at competitive prices.

After 1997, the Economic Census survey forms stopped providing a checkbox for “cooperative” among the list of options provided in their survey question about Legal Form of Organization. That question was removed because that information became available from the Internal

Revenue Service through an interagency data sharing agreement. Unfortunately, this data does not identify cooperatives directly.

Cooperatives can be found in U.S. Census Bureau data files, but because they are not identified as such, any summary data produced by Census and reviewed by researchers likely *underestimates* cooperative economic activity to some degree. Since this change by Census in 1997, federally-supported academic research on the economic impact of cooperatives estimated that in 2007, there were 29,000 cooperatives in the United States that account for more than \$3 trillion in assets, over \$500 billion in total revenue, \$25 billion in wages and benefits, and sustain nearly two million jobs.

We believe it's in the best interest for Census to change data gathering in a way that enables more accurate and comprehensive identification of cooperatives directly. The next Economic Census in 2017 provides the perfect opportunity to again measure their impact nationwide. We support this work and ask that the Census Bureau coordinate with all stakeholders on this issue and work together with them on how to best ensure more data-driven information is readily available on cooperatives.

To sign onto the letter, or for additional information, please contact Syd Terry from Representative Pocan's office at Sydney.Terry@mail.house.gov or Saat Alety from Representative Royce's office at Saat.Alety@mail.house.gov.

Sincerely,

EDWARD R. ROYCE

MEMBER OF CONGRESS

MARK POCAN

MEMBER OF CONGRESS