

I. OVERVIEW

The purpose of this report is to develop an initiative to link the Current Population Survey (CPS) to state Food Stamp program (FSP) administrative data. This report is a follow-up to Wittenburg, et al. (2001), which included a summary of ten data collection/enhancement initiatives that have the potential to improve the utility and cost-effectiveness of research on federal food assistance and nutrition programs. Economic Research Service (ERS) selected three initiatives from that report for further development. This report, along with Bell (2001) and Kenyon, et al. (2001), provide a specific implementation plan, including potential costs, benefits, and alternative options, for the three initiatives selected by ERS.

A linked CPS-FSP file would create new opportunities to explore dynamic program participation patterns of FSP participants and eligible non-participants. In addition, researchers could use the file to examine data collection and processing issues (e.g., imputation procedures), by comparing CPS survey responses to comparable fields in the administrative records. The resulting file would be accessible on a restricted basis to protect the confidentiality of the data.

Our analysis is based on a literature review and interviews with several experts familiar with data linking issues from the United States Department of Agriculture (USDA), the Census Bureau (Census), Florida Department of Children and Families (DCF) and The Urban Institute. We also conducted a meeting in October 2001 with experts from the Census and USDA to discuss a potential implementation plan. If this initiative does reach the implementation stage, this meeting should provide a foundation for future cross-agency collaborations.

There are several potential options to link the CPS to FSP administrative data. For example, the USDA might want to develop an initiative that matches the March 2000 CPS to three state administrative databases. Alternatively, the USDA may wish to develop other options to match multiple CPS files (e.g., March 2000 and March 2001) to a single administrative data source.

To develop a feasible implementation plan and estimate costs, we examine a potential pilot initiative that includes a linkage of one monthly CPS extract to one large state FSP administrative file.¹ If successful, this initiative should provide concrete research results that will encourage participation by more states and eventual expansion of this effort.

We estimate that this pilot would cost approximately \$194,000. It is important to note that the costs are for illustrative purposes only and depend upon the specific implementation plan chosen by the USDA. For example, the costs could change significantly if additional states are included in the linkage process.

¹ USDA can use the "pilot" analysis to estimate the costs for potential alternatives, including expansions of this initiative to other states. In Section VII, we illustrate costs of several potential alternative options (e.g., linkages to multiple state administrative databases).

We begin by providing background information on the CPS and FSP administrative files, which we use to motivate the proposed linkage (**Section II**). We then describe a specific linkage between the CPS-state FSP administrative records and discuss its advantages and limitations for future research (**Section III**). These sections provide important contextual information that will assist policy makers and researchers in understanding the costs and benefits of the proposed initiative. In the next three sections, we summarize a specific implementation for a pilot initiative. Specifically, we provide an overview of the implementation plan (**Section IV**); outline specific implementation tasks (**Section V**); and summarize an implementation schedule and costs (**Section VI**). These sections provide a roadmap for planning and implementing the pilot initiative. Finally, we conclude with potential alternatives to the proposed data initiative and the costs and benefits associated with these alternatives (**Section VII**). The USDA can use this information to identify potential alternative implementation plans, including expanding the pilot initiative.