

April xx, 2016

The Honorable Penny Pritzker  
Secretary of Commerce  
1401 Constitution Avenue, NW  
Washington, D.C. 20230

Dear Madam Secretary:

Given the unique niche that cooperative businesses continue to fill in the U.S. economy, it is unfortunate that so little is known about where and how they operate and the economic impact they make. Unlike the data-reporting agencies of many other countries, the U.S. Census Bureau no longer identifies the cooperative business sector in any of its census or business reporting surveys. As a consequence, there is no readily available federally-reported data on cooperatives in the U.S.

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.

Cooperative businesses are a niche within the overall economy, but they are a well-established niche that account for a significant fraction of economic activity. Until there is a U.S. Census-based cooperative identifier, the identification of cooperatives in the U.S. will continue to have its challenges and the value they provide to the U.S. economy will not be fully quantified, understood, or appreciated. We look forward to working with you on this matter and appreciate your attention.

Sincerely,

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Edward R. Royce  
Member of Congress  
Co-chair, Congressional Cooperative  
Business Caucus

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Mark Pocan  
Member of Congress  
Co-chair, Congressional Cooperative  
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