

HOUSING AFFORDABILITY 2002

APPENDIX A. OVERVIEW OF THE SIPP PROGRAM

Background

The Survey of Income and Program Participation (SIPP) provides a major expansion in the kind and amount of information available to analyze the economic situation of households and persons in the United States. SIPP collects information on the source and amount of income, labor force, program participation and eligibility, and general characteristics to measure the effectiveness of existing federal, state, and local programs. It provides information to estimate future costs and coverage of government programs such as food stamps, and improved statistics on the distribution of income and measures of economic well-being in the country.

Considerable efforts and funding were invested in developmental work leading to the SIPP. The Income Survey Development Program, conducted between 1977 and 1981, developed survey data collection strategies and instruments, as well as data processing strategies for the SIPP. The survey was originally envisioned as a jointly funded effort by the Census Bureau and the Department of Health and Human Services (HHS). Work was well underway for a February 1982 start of the survey when HHS had to withdraw its support due to funding problems. As a result, the survey was postponed until the Census Bureau received adequate funding from Congress to conduct the survey. Interviewing began for the first SIPP in October 1983.

Survey Design and Source of the Data

The SIPP survey design is a continuous series of national panels. The duration of each panel ranges from 2 ½ to 4 years. For the 1984 to 1993 period a new panel of households was introduced each year in February. A 4-year panel was introduced in 1996; a 3-year panel was started in 2000, but cancelled after 8 months for budgetary reasons; and a 3-year panel was introduced in 2001. The 2 ½ year 2004 SIPP panel is the first to use the Census 2000 based redesign of the sample. The affordability information for *Who Can Afford to Buy a House in 2002?* is from the 2001 SIPP.

The data in this report were collected from October 2002 through January 2003 in the sixth wave (interview) of the 2001 Survey of Income and Program Participation. The population represented (population universe) is the civilian noninstitutionalized population living in the United States.

All household members in the sample 15 years old and older were interviewed by personal visit or telephone once every 4 months over the life of the panel. To spread the workload evenly, the sample was divided into four rotation groups. Each rotation group was interviewed in a separate month. Four rotation groups constituted one cycle, or wave. The information for this report came from wave 6 of the 2001 panel.

Survey Content

The SIPP content is based on two elements - a “core” element of labor force, program participation and income questions asked in every wave; and “topical module” elements designed to provide a broader context for analysis by adding questions in specific waves on a variety of topics not covered in the core section. This report makes use of the wealth topical module. Additional information on the SIPP can be found at the following websites: www.sipp.census.gov/sipp/ (main SIPP website), www.sipp.census.gov/sipp/workpapr/wp230.pdf, (SIPP Quality Profile) and www.sipp.census.gov/sipp/usrguide/sipp2001.pdf (SIPP User’s Guide).