The purpose of this unnumbered letter (UL) is to provide the overall National unemployment rate for fiscal year 2023 and provide guidance to Business Programs’ officials in calculating Intermediary Relending Program (IRP) application priority scores.

**Unemployment Rate**

RD Instruction 4274-D and 7 CFR 4274.341(b)(6) of the promulgated IRP regulation on December 21, 2021, and RD Instruction 4274-D, 7 CFR 4274.344(c)(2)(iii) of the prior IRP regulation, provides for the awarding of priority points to IRP applications based on unemployment rates. The overall national unemployment rate for January 2023 was 3.4 percent. This unemployment rate will be used to compute the unemployment rate points until updated by the National Office. This supersedes the figure announced in an UL issued on March 21, 2022.

**Poverty Line Figures**

Effective immediately and continuing until further notice, the poverty line referred to in RD Instruction 4274-D, section 4274.341(b)(5) of the promulgated IRP regulation on December 21, 2021, RD Instruction 4274-D, section 4274.344(c)(2)(i) of the prior IRP regulation and RD Instruction 4280-E, section 4280.435(e), is $30,000 for all States except Alaska and Hawaii. The applicable poverty line is $37,500 for Alaska, and $34,500 for Hawaii. These guidelines are unchanged and will remain in effect until March 31, 2024.
Loan Program Priorities

RD Instruction 4274-D and 7 CFR 4274.341(b) of the promulgated IRP regulation on December 21, 2021; and RD Instruction 4274-D and 7 CFR 4274.344(c) of the prior IRP regulation, contain a priority scoring system. Sections 4274.341(b)(5) and 4274.344(c)(2) of the 7 CFR provide guidance for using the latest decennial Census income data updated according to changes in the consumer price index, in order to have a current income figure. For 2023, there will be no updated index factor to use.

In 2020, the United States Census Bureau conducted its decennial census and an updated American Community Survey 5-year (ACS) for 2016-2020. Decennial Census and ACS data on population and income are currently used by RD program areas for a variety of purposes including the following: eligibility determinations, prioritization, and allocations. Census has not fully released the 2020 decennial data, or the updated 5-year ACS (2016-2020) needed for RD program areas to implement the transition from 2010 to 2020 data.

Implementation requires the use of two Census data sets: 2020 decennial data for the population data and 5-year ACS (2016-2020) income and poverty data to calculate State Non-metro Median Household Income (SNMHI). Data from both sets are used in allocation formulas.

The Census Bureau has recently informed Rural Development (RD) that the release of both decennial Census data and 5-year ACS (2016-2020) is delayed and the timeline for when the data will be available is unknown. Please see Census for additional information on data release schedule:


Given the delay by Census in releasing these data, as well as the low response rate in rural areas for the 5-year ACS (2016-2020), all RD programs will continue using the 2010 Decennial Census population data and SNMHI using 5-year ACS (2006-2010). The transition to the new decennial data and updated 5-year ACS (2016-2020) is planned for FY 2024, October 1, 2023. Additional guidance will be provided closer to FY 2024.
Population Data

All RD programs will continue using 2010 Decennial Census population data until Census provides a full release of the 2020 decennial data. Further guidance will be provided when adoption of 2020 decennial can commence. Until that time, and unless specifically directed otherwise, programs are instructed to use the population data from the 2010 Decennial Census for program purposes. The data can be found at Census Data Hub.

As a part of Agency outreach activities and receipt of inquiries from potential applicants, please keep in mind the Department priority initiatives.

The Agency encourages applicants to consider projects that will advance the following key priorities:

• Assisting rural communities recover economically through more and better market opportunities and through improved infrastructure;
• Ensuring all rural residents have equitable access to RD programs and benefits from RD funded projects; and
• Reducing climate pollution and increasing resilience to the impacts of climate change through economic support to rural communities

To focus investments to areas for the largest opportunity for growth in prosperity, the Agency encourages applications that serve the smallest communities with the lowest incomes, with an emphasis on areas where at least 20 percent of the population is living in poverty, according to the American Community Survey data by census tracts.

When addressing the above priorities, continue to take a close look at statutory and regulatory requirements regarding rurality, project eligibility, borrower eligibility, financial feasibility, and security for each loan application. Compliance with these requirements and guidelines are necessary to protect the integrity of the IRP and ensure consistency in its implementation.

If you have any questions, please contact Will Dodson, Supervisory Business Loan and Grant Analyst, Program Management Division, (202) 692-2533.

NOTES TO FILE:


Poverty line updated information was issued by the U.S. Department of Health and Human Services in the Federal Register notice for the 2023 Poverty Guidelines published on January 19, 2023.