



Rural Development

Rural Business—Cooperative Service
Office of the Administrator
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TO: State Directors, Rural Development
ATTN: Business Programs Directors
SUBJECT: Intermediary Relending Program
Rural Business Development Grant
Unemployment Rate, Poverty Line Figures,
and Loan Program Priorities

Purpose

The purpose of this unnumbered letter (UL) is to provide the overall national unemployment rate for fiscal year 2024 and provide guidance to Business Programs’ officials in calculating Intermediary Relending Program (IRP) application priority scores.

Unemployment Rate

[RD Instruction 4274-D, section 4274.341\(b\)\(6\)](#) of the newly promulgated [IRP regulation on December 21, 2021](#), and RD Instruction 4274-D, section 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 2024 was 3.7 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 27, 2023.

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 newly promulgated IRP regulation on December 21, 2021, RD Instruction 4274-D, section 4274.344(c)(2)(iv) of the prior IRP regulation and [RD Instruction 4280-E, section 4280.435\(e\)](#), is \$31,200 for all States except Alaska and Hawaii. The applicable poverty line is \$39,000 for Alaska and \$35,880 for Hawaii. These guidelines are unchanged and will remain in effect until March 31, 2025.

EXPIRATION DATE:
March 31, 2025

FILING INSTRUCTIONS:
Community/Business Programs

Loan Program Priorities

[RD Instruction 4274-D, section 4274.341\(b\)](#) of the newly promulgated IRP regulation on December 21, 2021, and RD Instruction 4274-D, section 4274.344(c) of the prior IRP regulation, contain a priority scoring system. [Sections 4274.341\(b\)\(5\)](#) and [4274.344\(c\)\(2\)](#) provide guidance for using the latest decennial Census income data updated according to changes in the consumer price index to have a current income figure. For 2024, the index factor to be used is 1.1916. That figure will be multiplied by the 2020 census median household income data for the service area to determine the median household income, which is then compared to the poverty line.

On October 1, 2023, RD implemented new Census data across all RD programs, transitioning from 2010 to 2020 decennial data and from 2006-2010 to 2017-2021 American Community Survey (ACS data Please see [RD AN 4897 issued on September 27, 2023](#), which provides guidance to all RD staff regarding the October 1, 2023, transition.

As a part of Agency outreach activities and receipt of inquiries from potential applicants, please keep in mind Rural Development's key priorities:

The Agency encourages applications that will advance the following key priorities (more details at <https://www.rd.usda.gov/priority-points>):

- Addressing Climate Change and Environmental Justice; Reducing climate pollution and increasing resilience to the impacts of climate change through economic support to rural communities
- Advancing Racial Justice, Place-Based Equity, and Opportunity; Ensuring all rural residents have equitable access to RD programs and benefits from RD funded projects.
- Creating More and Better Market Opportunities; Assisting rural communities recover economically through more and better market opportunities and through improved infrastructure.

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 questions or need additional guidance, please contact the appropriate program lead(s) as identified on the respective program Beacon page.

NOTES TO FILE:

Current unemployment rate obtained from The Employment Situation, published February 2, 2024, by the Bureau of Labor Statistics, U.S. Department of Labor.

Poverty line updated information was issued by the U.S. Department of Health and Human Services in the Federal Register notice for the 2024 Poverty Guidelines published on January 17, 2024.

Additional information may be located at the Department of Labor, Bureau of Labor Statistics home page on the internet: <https://www.bls.gov/news.release/pdf/empsit.pdf>, and obtained the consumer price index required by RD Instruction 4274-D, section 4274.341(b)(5), the current CPIU is divided by the now available 2020 CPIU. The new index should be 1.1916 (308.4/258.8 = 1.1916.)

Sincerely,

Betsy Dirksen Londrigan
Administrator
Rural Business-Cooperative Service