

United States Department of Agriculture

Rural Development

RD AN No. <u>4885</u> (1940-L and RUS Staff Instructions 1780-2, 1780-5)

January 14, 2022

Office of the Under Secretary

1400 Independence Ave SW Washington, DC 20250 Voice 202 720 4581

Voice 202.720.4581 Fax 202.720.2080 SUBJECT: Implementation of 2020 Census Data for Rural Development

Programs

TO: State Directors

National Office Assistant and Deputy Administrators

Rural Development

FROM: Xochitl Torres Small /s/ Xochitl Torres Small

Under Secretary

ATTENTION: RUS, RHS, RBCS National Office Program Staff, Community

Programs Directors, Business Programs Directors, State

Engineers, State Architects and Administrators

PURPOSE

This Administrative Notice (AN) provides guidance to staff in the Rural Development (RD) National Office and State Offices regarding the implementation of the 2020 Census data for the use in the administration of direct loan, loan guarantee and grant programs across RD. The intended outcome is to instruct and inform staff on the transition to new data sources to allow for an orderly and consistent implementation across RD programs and to facilitate outreach that will provide current and potential applicants sufficient notice.

COMPARISON WITH PREVIOUS AN:

This guidance supersedes RD AN No. 4711 (1940-L and RUS Staff Instructions 1780-2 and 1780-5) dated March 27, 2013 and any previous guidance on implementation of population or income data from the census.

EXPIRATION DATE: September 30, 2022

FILING INSTRUCTIONS: Preceding RD Instruction 1940-L and RUS Staff Instructions 1780-2, 1780-5)

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IMPLEMENTATION RESPONSIBILITIES:

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: 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 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:

- Decennial Data Products: https://www.census.gov/programs-surveys/decennial-census/decade/2020/planning-management/release/about-2020-data-products.html
- 5-year ACS (2016-2020): https://www.census.gov/newsroom/press-releases/2021/acs-5-year-2016-2020.html

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), RD is not able at this time to calculate SNMHI using the 2020 data. As such, Rural Development will use the 5-year ACS (2015-2019) to calculate an updated SNMHI.

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.

Income and Poverty Data

The Agency has determined that the 5-year ACS estimate is the most appropriate data set for RD program to use for income and poverty data as it encompasses data from across the country and is updated within a shorter time period than the income data previously obtained from the decennial census and collected every 10 years. Median Household Income (MHI) must be based on the data set developed for RD by ACS for the period 2006-2010.

State Non-metro Median Household Income

All RD programs will begin using SNMHI calculated based upon the 5-year ACS 2015-2019 on October 1, 2022. Until that time, and unless specifically directed otherwise, programs are instructed to use the SNMHI by state from 2006- 2010 5-year ACS for program purposes. The data can be found at Census Data Hub.

OUTREACH TO CURRENT AND POTENTIAL APPLICANTS:

State and National Office personnel should communicate to current potential applicants, as well as other stakeholders, on the continued use of 2010 Census and its potential impact on eligibility for RD program assistance.

SUMMARY:

All RD programs will continue using 2010 Decennial Census population data, and an updated SNMHI using 5-year ACS (2015-2019) will be calculated and used starting October 1, 2022. The transition to the new decennial data and updated 5-year ACS (2016-2020) is unknown and additional guidance will be provided once Census provides additional information on upcoming data releases.

Office hours will be held for anyone with questions regarding this AN on the following dates. Use the links below to register.

Wednesday January 26, 2022 10:00 AM Eastern Time Register

Thursday January 27, 2022 3:00 PM Eastern Time Register

State Offices having questions on the use of 2020 Census data should contact the applicable program personnel in the National Office as listed below:

Agency	Program	Contact	Phone No.	Email Address
RBCS	Business Programs	Mark Brodziski	202-205-0903	mark.brodziski@usda.gov
RHS	Community Programs	Joseph Ben Israel	202-720-1505	joseph.benisrael@usda.gov
RHS	Multi-Family Housing	Jennifer Larson Elena Herl	202-720-1615 202-720-7923	jennifer.larson@usda.gov elena.herl@usda.gov
RHS	Single Family Housing - Direct - Guaranteed	Scott Nista Dean Daetwyler	804-287-1532 202-690-0514	scott.nista@usda.gov dean.daetwyler@usda.gov
RUS	Water and Environmental Programs	Scott Barringer	202-720-9643	scott.barringer@usda.gov
RUS	Electric Programs	Jim Elliott	202-720-9546	jim.elliott@usda.gov
RUS	Telecommunications Programs	Ken Kuchno	202-720-9424	kenneth.kuchno@usda.gov

Sent by Electronic Mail on <u>January 19</u>, <u>2022</u> at <u>11:00 am</u> by the RD Innovation Center. The State Director should advise other personnel as appropriate.