



Rural Development

March 28, 2013

RD AN No. 4711 (1940-L, and RUS
Staff Instructions 1780-2 and 1780-5)

Office of the
Under Secretary

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TO: Agency Administrators
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ATTN: National Office Officials
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All Program Directors
All State Engineers and Architects

FROM: Dallas Tonsager
Under Secretary

SUBJECT: Implementation of 2010 Census Data for
Rural Development Programs

PURPOSE/INTENDED OUTCOME:

This Administrative Notice (AN) provides guidance to Rural Development (RD) National and State Office staff regarding the implementation of the 2010 Census data for use in the administration of direct loan, loan guarantee and grant programs across RD. The intended outcome is to instruct and inform RD National and State Office staff on appropriate data to be used as a source for population and income information needed for eligibility determinations and underwriting of applications for assistance filed pursuant to RD programs.

COMPARISON WITH PREVIOUS AN:

This AN replaces RD AN No. 4679 dated September 27, 2012, which will expire on April 30, 2013 and RD AN 4711 dated March 27, 2013. The September 27th AN explained that the Continuing Appropriations Resolution, 2013 appropriated amounts for continuing operations, projects, or activities which RD conducted in Fiscal Year (FY) 2012.

BACKGROUND:

On March 26, 2013, the President signed the "Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2013" (the FY 2013 Appropriations Act). This Act extends the authorities and limitations of the FY 2012 Appropriations Act for the Rural Housing Service (RHS) housing programs (Single Family Housing and Multi-Family Housing Programs) pursuant to the Housing Act of 1949. Therefore, RD will defer transition to the 2010 census information for these RHS housing programs until the expiration of the FY 2013 Appropriations Act on September 30, 2013.

EXPIRATION DATE:
March 31, 2014

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

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USDA's FY 2013 Appropriations Act does not extend the authorities and limitations under USDA's FY 2012 Appropriations Act for the Rural Utilities Service (RUS), Rural Business & Cooperative Service (RBCS), and RHS's Community Facilities (CF) programs. As a result, the CF program, as well as RUS and RBCS programs, will begin using 2010 Census data for eligibility determinations beginning March 27, 2013. Instructions for the transition to the new Census data are contained in this AN.

Administrative Notice No. 4679 provided background information on the transition to using American Community Survey data and data from the 2010 Decennial Census. Please refer to that AN for information on these new data sources.

RECEIPT OF, AND TRANSITION TO, 2010 CENSUS INFORMATION

Transition to using data from the 2010 Decennial Census and the American Community Survey (ACS) data will be implemented on March 27, 2013 for RUS/RBCS programs and CF. For RHS housing programs the transition is deferred through the current fiscal year. Until that time, and unless specifically directed otherwise, the RHS housing programs are instructed to use the data from the 2000 Decennial Census for program eligibility purposes.

Implementation of the 2010 decennial census data will require the use of two Census data sets, a data set for the population data and a separate data set for income and poverty data.

Population Data

RBCS/RUS programs and CF will begin using 2010 Decennial Census population data (2010 Demographic Profile Data set) on March 27, 2013.

Annexation and Boundary Changes

In cases where a rural city, town, village or other political subdivision's boundary changes through annexation or mergers, etc., the population used to determine eligibility should include the annexed or merged area, even if the annexation occurred after the most recent decennial census was taken.

It is important to note that the Census Bureau updates its decennial census data through annual surveys related to boundary and annexation changes. It is therefore possible that the Census data may take into account new boundaries and associated populations. However, staff should confirm that this is the case before making eligibility determinations.

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, for all applications received on or after March 27, 2013 for all RBCS/RUS and CF programs. This data set was provided to RD under an interagency agreement with ACS and is not expected to be updated for several years.

States should use the MHI and per capita income data provided by the most current 5-year survey of the ACS if there is no data for non-metro MHI or non-metro per capita income according to the 2010 Census in areas which are eligible for RD financial assistance.

Treatment of Applications on Hand for RUS/RBCS and CF Programs

The 2000 census data may be used for applications submitted in response to Notice of Funds Availability (NOFA) announcements published no later than March 26, 2013, or where no NOFAs are published, for complete applications on hand as of March 26, 2013, provided that the applications are obligated prior to September 30, 2013 and that written determination of eligibility and evidence of all documents necessary to be deemed complete exist. The Census 2000 MHI information is available on the Internet at <http://factfinder.census.gov>. If an application cannot be obligated by September 30, 2013, concurrence must be obtained from the appropriate Agency's Administrator to continue with the processing utilizing 2000 Census data.

Applicants whose eligibility for program assistance is the result of language in a General Provision in one of the earlier appropriations bills or other statutory language that states eligibility expires upon receipt of the next decennial census, however, will no longer be eligible as of March 27, 2013. Any pending applications associated with such applicants are to be returned to the applicant.

A list of the RBCS/RUS/CF applications on hand as of March 27, 2013, or filed pursuant to NOFA announcements published prior to March 26, 2013, sorted by program area, must be prepared by each National Office Program Area. The list shall be reviewed and confirmed by the Rural Development State Offices (for programs administered by the field) and placed in the operational files of the State Office. For programs administered in the National Office, the list should be placed in the National Office program operational files. A notation must be made in the docket for each application impacted by the 2010 Census implementation. This list should include each applicant's name, project name if applicable, location (county), requested amount broken down by loan and grant, the census data used (2000 decennial census, or, 2010 (population) and ACS 5-year survey), and whether the application has all the necessary documentation to be deemed complete pursuant to program rules.

Treatment of Applications on Hand for Housing Programs

Complete applications for the RHS Housing programs, on hand as of close of business September 30, 2013, or filed pursuant to NOFA announcements published by September 30, 2013, may be processed using 2000 Census data for determining property eligibility and continuing to use the currently published ineligible areas as published on the Eligibility website at <http://eligibility.sc.egov.usda.gov> for the Single and Multi-Family housing Programs. This is provided that the applications on hand as of close of business on September 30, 2013 are obligated prior to December 31, 2013 and that written determination of eligibility and evidence of all documents necessary to be deemed complete exist. If an application cannot be obligated by December 31, 2013, concurrence must be obtained from the appropriate Agency's Administrator to continue with the processing utilizing 2000 Census data.

A list of the RHS housing applications on hand September 30, 2013, or filed pursuant to NOFA announcements published by September 30, sorted by program area, must be prepared by each National Office Program Area. The list shall be reviewed and confirmed by the Rural Development State Offices (for programs administered by the field) and placed in the operational files of the State Office. For programs administered in the National Office, the list should be placed in the National Office program operational files. A notation must be made in the docket for each application impacted by the 2010 Census implementation. This list should include each applicant's name, project name if applicable, location (county), requested amount broken down by loan and grant, the census data used (2000 decennial census, or, 2010

(population) and ACS 5-year survey), and whether the application has all the necessary documentation to be deemed complete pursuant to program rules.

OUTREACH TO CURRENT AND POTENTIAL APPLICANTS:

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

SUMMARY:

Usage of 2010 Census and ACS data when determining population and income eligibility ensures that program funds are utilized in accordance with program statutes. Complete applications for RBCS/RUS programs and CF on hand as of March 27, 2013, may be processed using 2000 Census data provided that written determination of eligibility and evidence of all documents necessary to be deemed complete exist, and that the application can be obligated no later than September 30, 2013. This does not apply to applications on hand where the applicant is eligible as the result of legislative provisions that expire upon receipt of the next decennial census. For Housing Programs, any area that was eligible for rural housing on September 30, 2012 remains eligible until September 30, 2013.

State Offices having questions on the use of 2010 Census data should contact the applicable in program personnel the National Office as listed below:

Agency	Program	Contact	Phone No.	Email Address
RBS	Business Programs	Mark Brodziski	202-720-1394	mark.brodziski@wdc.usda.gov
RHS	Community Programs	Joseph Ben Israel	202-720-1505	Joseph.Benisrael@usda.gov
RHS	Multi-Family Housing	Melinda Price	614-255-2403	melinda.price@usda.gov
RHS	Single Family Housing - Direct - Guaranteed	Shantelle Gordon Dean Daetwyler	202-205-9567 202-690- 0514	shantelle.gordon@usda.gov dean.daetwyler@usda.gov
RUS	Water and Environmental	Steve Saulnier	202-690-2526	stephen.saulnier@usda.gov
RUS	Electric Programs	Jim Elliott	202-720- 9545	jim.elliott@wdc.usda.gov
RUS	Telecommunications Programs	Jon Claffey	202-720-9459	jonathan.claffey@wdc.usda.gov

Sent by Electronic Mail on March 28, 2013, at 4:00 p.m., by the Office of the Under Secretary. Agency Administrators and State Directors should advise other personnel as appropriate.