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# Understanding Rural Definitions

## John Cromartie

USDA, Economic Research Service

# The term 'rural' is applied to definitions based on different classification schemes

Research

- *Rural areas are defined throughout this document using nonmetropolitan (nonmetro) counties."* (Rural America at a Glance, 2021 Edition)

- *County population counts and estimates provide the basic accounting units for our analyses. We use the terms rural and nonmetropolitan interchangeably, as we do the terms urban and metropolitan.* (Johnson and Lichter, Metropolitan Reclassification and the Urbanization of Rural America, *Demography* 57, 2020)

Federal Programs

- *For the purpose of water and waste disposal grants…the terms 'rural' and 'rural area' mean a city, town, or unincorporated area that has a population of no more than 10,000 inhabitants.* (USDA, Report On the Definition of Rural, 2013)

- *Census tracts with RUCA codes 4 through 10 are considered rural for the purposes of Rural Health grants.* (HHS Office of Rural Health Policy, List of Rural Counties And Designated Eligible Census Tracts in Metropolitan Counties)

# Drawing a precise line between urban and rural requires answering two questions:

- At what population threshold do rural places become urban?

- Where along the urban periphery do suburbs give way to rural territory?

Answers vary tremendously, with dramatic differences in the resulting rural populations, in terms of overall size, geographic distribution, and socio-economic characteristics.

# Rural Definitions and Measures Toolkit
## *John Cromartie and Michael Ratcliffe*

JANUARY 20, 2021

## Executive Order On Advancing Racial Equity and Support for Underserved Communities Through the Federal Government

BRIEFING ROOM  ▶  PRESIDENTIAL ACTIONS

"The term "equity" means the consistent and systematic fair, just, and impartial treatment of all individuals, including …Black, Latino, and…other persons of color; members of religious minorities; …LGBTQ+ persons; persons with disabilities; *persons who live in rural areas*; and persons otherwise adversely affected by persistent poverty or inequality."

"…the ability to…identify and remove barriers to equitable access to government programs is contingent on gathering the necessary data…"

A Vision for Equitable Data
**Recommendations from the Equitable Data Working Group**

# Four Sources of Rural Definitions and Their Four Key Features

| Source | Underlying concept | Geographic building block | Criteria for setting urban-rural boundary | Population threshold between urban and rural places |
|---|---|---|---|---|
| U.S. Census Bureau's list of places | Administrative: rural areas defined in relation to legal or locally-recognized place boundaries | Municipalities and census-designated places (CDPs) | Corporate boundaries or locally-defined unincorporated boundaries | Not defined; can be set at any level |
| U.S Census Bureau's urban areas | Land-use: rural areas defined in relation to high-density, built-up areas | Census blocks and block groups | Population density | 2,500; can be adjusted upward |
| OMB's Core-Based Statistical Areas (CBSAs) | Economic: rural areas defined in relation to labor market areas | Counties | Population density and commuting | Usually 50,000; can be adjusted upward or down to 10,000 |
| ERS rural-urban commuting areas (RUCAs) | Economic: rural areas defined in relation to labor market areas | Census tracts or zip code areas | Population density and commuting | Usually 50,000; can be adjusted upward or down to 2,500 |

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# Census places

Advantages:
- geographically detailed
- easy to understand, consisting of geography to which the public easily relates
- municipalities provide services relevant to rural development and are sometimes the targeted entity for federal funding

Disadvantages:
- not statistically consistent in delineating high-density areas
- municipal incorporation and annexation laws differ by State
- actual population growth may or may not be reflected in boundary changes
- the CDP concept encompasses a variety of unincorporated communities

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# Census urban areas

Advantages:
- geographic detail
- statistical consistency
  - captures all densely-settled areas of a given town or city, regardless of municipal status
  - the basic concept and the 2,500-person threshold has been in place since 1910

Disadvantages:
- not part of the Census Bureau's annual population estimates program
- no annual economic data such as those available for counties
- does not follow municipal boundaries, so not a geography familiar to the public
- though the basic concept has not changed, criteria have been adjusted over the years, somewhat hampering analysis of urbanization trends over time

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# OMB's Core-Based Statistical Areas (CBSAs)

Advantages
- composed of familiar geographic units; counties are typically active political jurisdictions, have stable borders, and usually have programmatic importance at the Federal and State level
- county population, employment, and income estimates available annually
- the Current Population Survey provides detailed demographic statistics annually for metro and nonmetro areas by State
- almost all research on rural conditions and trends refer to conditions in nonmetro areas

Disadvantages
- counties are often too large to precisely delineate labor market areas
- the underlying concept and 50,000-person threshold for metro areas have remained the same since they were first defined in 1950, but criteria have changed considerably with almost every decennial update, hampering the study of trends over time

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# ERS Rural-Urban Commuting Areas (RUCAs)
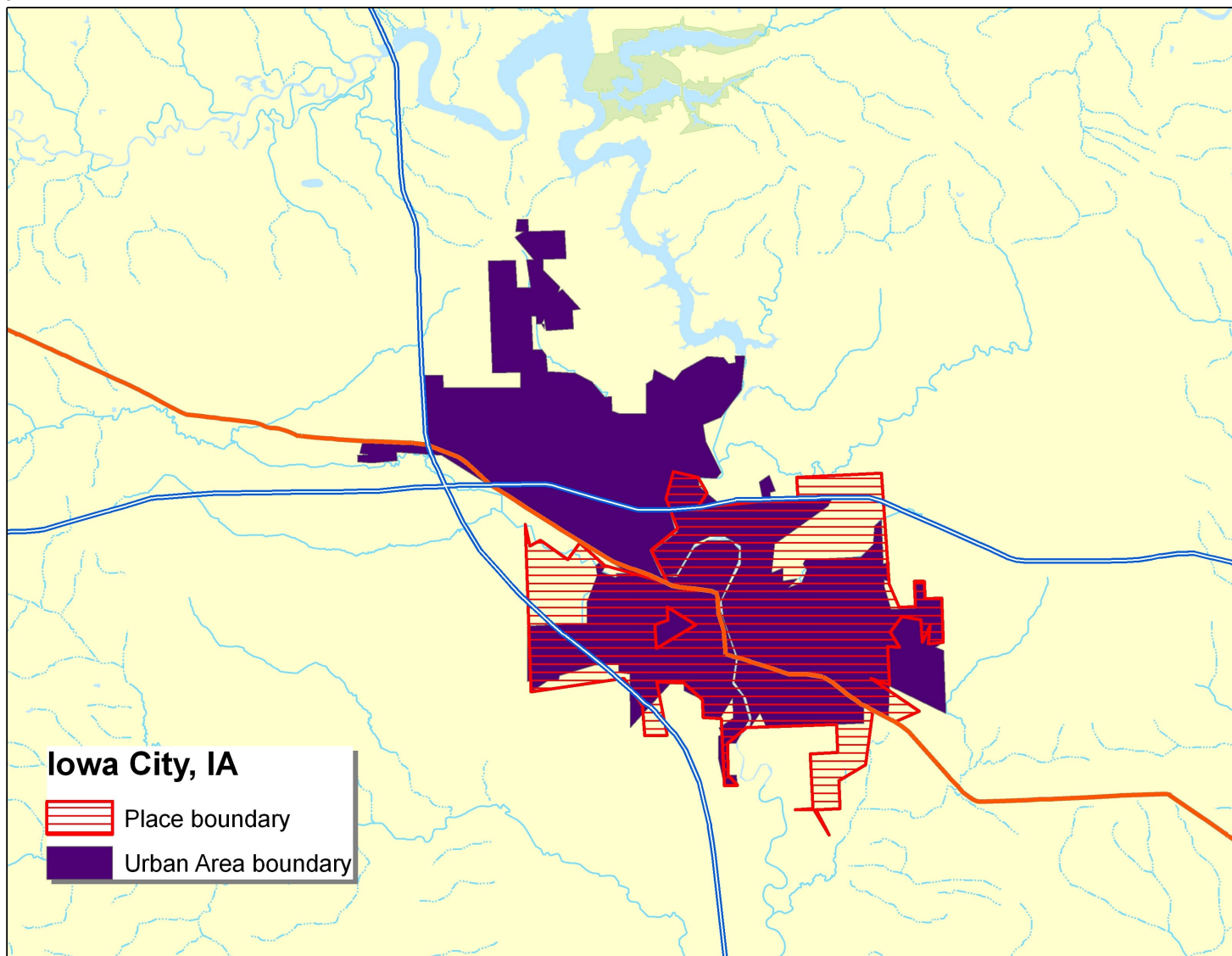
Advantages
- provides an alternative to OMB's county-based system for situations where more detailed geographic delineation is needed
- allows for the identification of economic functional areas surrounding small towns, those between 2,500 and 10,000 population; counties are too large to adequately delineate these small labor market areas
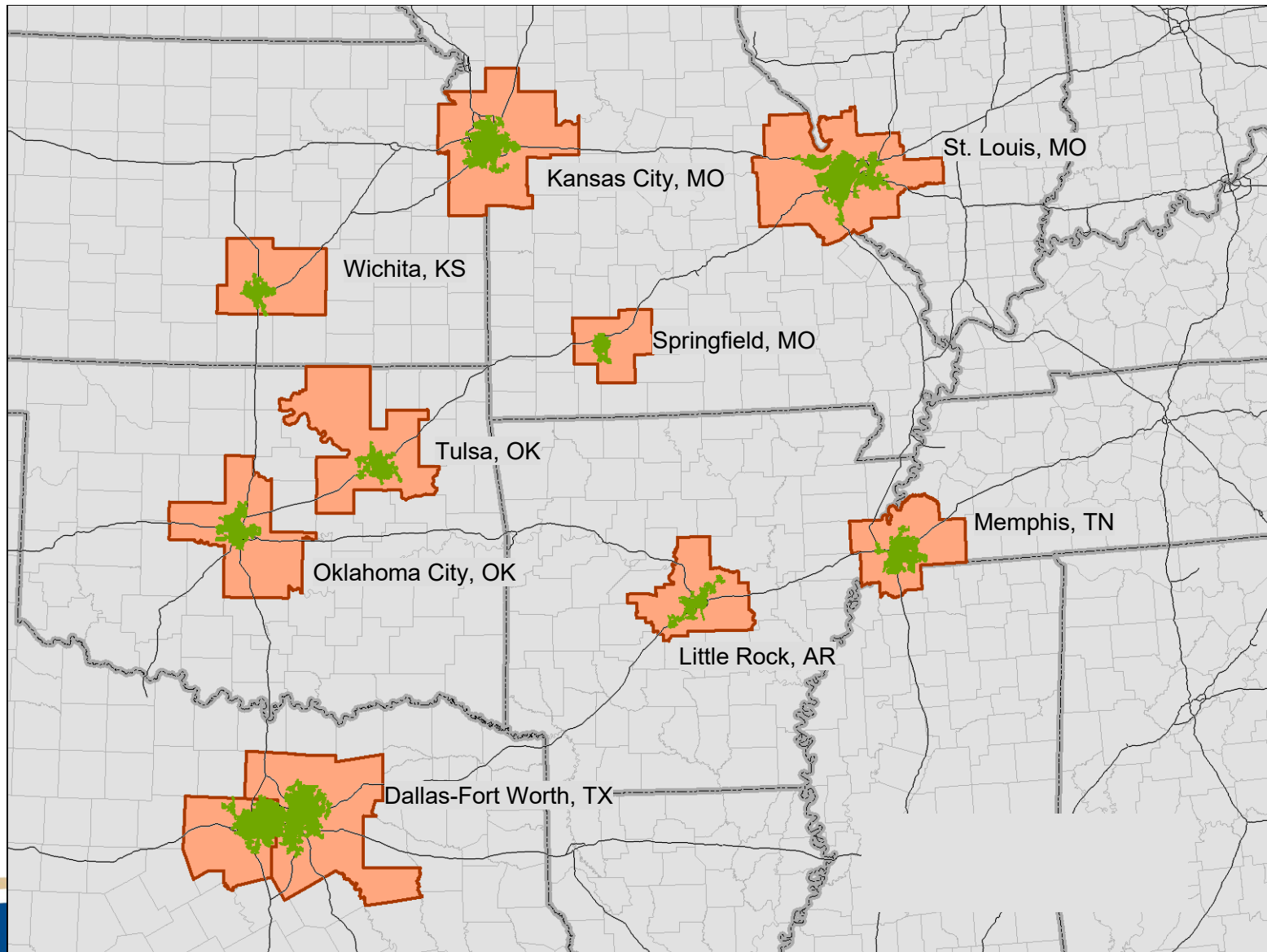
Disadvantages
- census tracts and ZIP code areas are less familiar geographic entities, compared with counties or municipalities
- unstable boundaries; census tracts are routinely split, merged, or redefined in response to population change
- depends on measuring tract-to-tract commuting using data from the American Community Survey, which can include very small flows with high margins of error
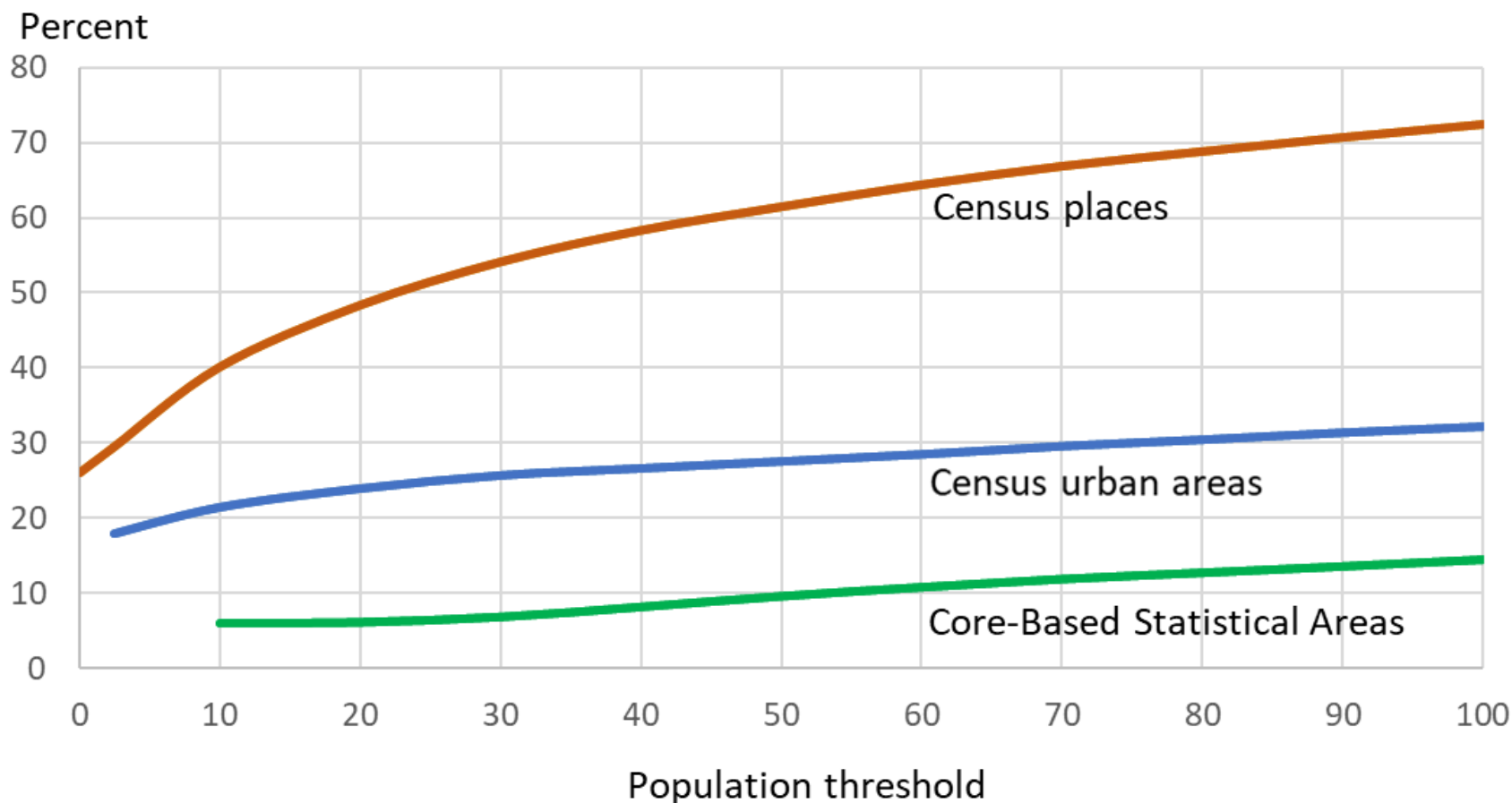
# Census Bureau urban areas often diverge considerably from municipal boundaries



Iowa City, IA

Place boundary

Urban Area boundary

# County-based CBSAs extend far beyond their densely-settled cores

USDA
Economic Research Service
www.ers.usda.gov

Percent of U.S. population defined as rural by source of rural definition and population threshold, 2010

Source: ERS-USDA using data from U.S. Census Bureau.

# Take-aways from the Rural Definitions and Measures Toolkit

- Delineating a clear line between rural and urban has always been problematic, but the complexity of today's settlement system now makes futile any search for a one-size-fits-all solution.

- A better strategy is to recognize that urban and rural are multi-dimensional concepts incorporating size, density, and distance perspectives.

- The choice of a rural definition should be based first and foremost on the purpose of the enterprise.

- Fortunately, the range of definitional options available today is quite broad.