

Census & Rural Communities

A census-in-action fact sheet

Executive summary

Federal surveys collect data from a subset (sample) of people living in the United States. Because a rural area is, by definition, sparsely populated, most federal surveys will collect information from only a handful of its residents, and with so few respondents, statistics will be less reliable and potentially unpublishable due to privacy concerns. Rural communities are especially reliant on data from the census because it is the only survey that samples all residents.¹

Census data even defines what it means to be a rural area, with housing and population density information setting the thresholds that separate urban from rural. Federal agencies use these definitions to determine program eligibility and for the allocation of resources.

This fact sheet sheds lights on the challenges in defining rural areas, unique difficulties in counting rural communities, what we know about rural communities in the U.S., how census data help federal agencies and philanthropy to allocate funds to the areas that are most in need, and how census data helps people in rural communities achieve fair representation.

What do we know about rural areas?

While census counts in rural areas could be improved, the data they provide to and about rural communities is valuable for decision-making. This section highlights a few facts about rural America and provides links to resources that hold much more data about these communities.

- Rural areas account for about 70% of the geographic area of the U.S.² but less than 15% of the population.

¹ Even the ACS, largest by many orders of magnitude of the surveys fielded by the U.S. government, does not collect enough responses for annual, statistically reliable, privacy-protected data on counties with the smallest populations.

² see <https://www.mckinsey.com/institute-for-economic-mobility/our-insights/who-is-rural-america>

What are the census and the ACS?

The decennial census and the American Community Survey are the two largest sources of public data in the United States. The census's once-a-decade snapshot of every household creates an outline for our understanding of the nation's population. The ACS's yearly information about people and families fills in that outline with detailed data on social and economic characteristics like income and occupation, housing costs, internet use, and languages spoken.

- › 46 million people live in non-metropolitan areas as defined by OMB.
 - › 66 million live in non-urban areas as defined by the Census Bureau.
- 85% of counties experiencing persistent poverty, which means that at least 20% of the population has been living below the poverty line during each of the last four measurement periods (currently 1990, 2000, 2007–11, and 2017–21), are non-metropolitan.³
- More than 10 million rural Americans are people of color⁴
 - › Nearly 30% of American Indian and Alaska Native (AIAN) people live in rural areas, compared to 15% of the general population.
 - › Even as the overall rural population declined in the 2010s for the first time on record, the rural Latino population grew by nearly a million. From 1990 through 2019, Latinos accounted for roughly 58% of all U.S. rural population growth.
 - › The rural Black population accounts for about 8% of rural America, concentrated in the historic Black Belt and the Mississippi Delta — where most majority-Black counties are also persistent-poverty counties.
- The disability rate is higher in rural areas than it is in urban areas and people with disabilities that live in rural areas report more difficulty in accessing health care due to geographic isolation.

How does a high-quality count in rural areas impact federal funding?

The use of census and ACS data to both allocate federal funding and to define rural geographies means that an accurate count in rural America has an outsized impact on rural communities.

Rural-area programs

Federal agencies have scores of programs that are available only to communities that qualify as rural under OMB, Census, or USDA definitions, which are discussed in detail below. USDA's Rural Development division (USDA-RD) manages the majority of these programs, sometimes in partnership with agencies like Housing and Urban Development, Environmental Protection Agency, Department of Energy, or the Economic Development Administration.

Federal programs designed to support rural communities span many types of community needs, from business development and infrastructure to housing and energy provision. While these programs change over time based on federal budget and Congressional priorities, examples of programs available only to rural communities include:⁴

³ see <https://www.ers.usda.gov/topics/rural-economy-population/rural-poverty-well-being#geography>

⁴ Many of these programs are currently in flux due to Administrative and Congressional actions and may not exist in the same form going forward.

- **Rural Community Development Initiative Grants.** RCDI grants are awarded to help non-profit housing and community development organizations, low-income rural communities, and federally recognized Tribes support housing, community facilities, and community and economic development projects in rural areas.
- **National Rural Health Policy, Community, and Collaboration Program.** The purpose of this program is to identify, engage, educate, and collaborate with rural stakeholders on national rural health policy issues and promising practices to improve health care in rural areas nationwide.
- **Rural Microentrepreneur Assistance Program.** This program provides loans and grants to Microenterprise Development Organizations (MDOs) to support microenterprise startup and growth through a Rural Microloan Revolving Fund. The program also provides training and technical assistance to microloan borrowers and micro entrepreneurs.
- **Rural Housing site loans.** This program provides loans to purchase and develop housing sites for low- and moderate-income families in rural areas.
- **RCORP–Impact.** This funding track within the Rural Communities Opioid Response Program is to improve access to integrated and coordinated treatment and recovery services for substance use disorder (SUD), including opioid use disorder (OUD), in rural areas. Ultimately, RCORP–Impact aims to address the SUD/OUD crisis in rural communities and promote long-term, sustained recovery.
- **Rural Economic Development Loan and Grant programs.** These programs provide funding for rural projects through local utility organizations. USDA provides zero-interest loans to local utilities which they pass through to local businesses (the ultimate recipients) for projects that will create and retain employment in rural areas.
- **Formula Grants for Rural Areas.** This Federal Transit Administration program provides capital, planning, and operating assistance to states to support public transportation in rural areas with populations of less than 50,000, where many residents often rely on public transit to reach their destinations. The program also provides funding for state and national training and technical assistance through the Rural Transportation Assistance Program.
- **Tribal grants.** In addition to grants available to all rural communities, many federal agencies offer grants available only to Tribal governments, many of which are in rural areas. These grant programs include the National Tribal Broadband Grant, Living Languages Grant Program, Tribal Energy Development Capacity Grant, and Indian Business Incubators Program. Information about many of these grant programs is available through the Bureau of Indian Affairs (BIA).

For other federal grant programs, rural communities receive priority consideration in grant selection or receive bonus points in grant proposal scoring. For example, the Department of Housing and Urban Development's Choice Neighborhoods program, which provides grants to redevelop

severely distressed housing, provides preference points for projects located in rural areas. In its funding announcement for Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grants, the Department of Transportation specified that 50% of funds would be allocated to projects in rural areas.

Many federal agencies rely on formulas to allocate funding to states; states then rely on similar formulas to allocate those funds to localities. Most of these formulas rely on census or ACS data on population size, population density, or *per capita* income to determine how much funding is allocated.

For example, the Administration for Children and Families in HHS manages the Community Services Block Grant (CSBG), which provides funds to states, territories, and Tribes to pass through to support services that alleviate the causes and conditions of poverty in under-resourced communities. The underlying statute that authorizes CSBG requires each state to redistribute the block grant to localities using a formula of its choice. Most states use data from the census or ACS to determine how much funding to pass to each locality:

- Virginia allocates funds based on the number of low-income people in each area, using census population data and ACS poverty data.⁵
- Utah provides a base amount to each locality and allocates the rest of its block grant based on the area's percentage of the state's population living at or below 125% of the federal poverty level, based on ACS 5-year average data.
- Maryland allocates funds to localities based on a complex formula that considers poverty rates, unemployment rates, and rural poverty rates, all calculated using ACS and decennial census data.

Philanthropic organizations, nonprofit organizations, and other entities that allocate funding or provide direct services also often rely on these data in their decision-making.

Defining rural america

The U.S. government uses several different methods to define the areas it considers rural. These definitions are used in funding eligibility and allocation determinations and shape how we think about communities. Each of these definitions are based on decennial census or ACS data, making these data critical for an overwhelming number of federal programs.

Census geographies: urban and rural

After each decennial census, every census block is designated as either urban or rural. The Bureau updates its criteria for urban designation each time, and criteria have differed significantly across decades. Recently the focus has shifted from population density to housing-unit density, with housing units per square mile (HPSM) serving as the starting point of the

⁵ see <https://nascsp.org/wp-content/uploads/2020/02/Funding-Formula-Presentation-FINAL.pdf>

process to test for urbanness:

- ① Census blocks with at least 425 HPSM are considered potential cores of an urban area. Adjacent (or very proximate) potential cores are merged.
- ② Adjacent census blocks with at least 200 HPSM or significant infrastructure (e.g., factories or airports) are added to the potential core blocks.
- ③ The combined area is checked for at least one census block with at least 1,275 HPSM (small-town density, more or less).
- ④ The combined area is checked for a minimum of 2,000 total housing units or 5,000 total people.⁶

The process is, of course, more complex in reality, with additional steps designed to properly recognize group quarters (prisons, nursing homes, college dorms) that are not properly captured by an HPSM measurement.

The differences between the 2010 and 2020 Urban Area criteria help illustrate how these conceptions have changed over time, including changes to population and housing thresholds, the removal of distinctions between urban area types, and updates to boundary rules to reflect current development patterns.

After the 2020 Census, the Bureau determined that 265 million Americans live in urban areas and just over 66 million live in rural areas.

OMB geographies: metropolitan and non-metropolitan

The Office of Management and Budget (OMB) classifies areas as either metropolitan or non-metropolitan based on the population of counties. Like the census urban/rural designations, these classifications are used in eligibility determinations by hundreds of programs across the federal government, from HUD's Community Development Block Grants to HHS's rural health programs. OMB updates its metropolitan, micropolitan, and non-core county list roughly every ten years using decennial census data. The standards for these designations were most recently revised in 2023:

- Counties that include one or more area with a population of at least 50,000 are designated as metropolitan areas.
 - › Counties near a metropolitan center are included in that metropolitan area if 25% or more workers in that outlying county commute to or from the nearby metropolitan area.
- All other counties are designated as non-metropolitan, which OMB further subdivides into:
 - › *Micropolitan* areas are counties with urban areas with a population of 10,000–49,999 (including outlying counties with 25% or more workers commuting to the Micropolitan area).
 - › *Non-core* counties are all counties that do not meet the metropolitan or micropolitan area criteria.

⁶ Notably, the Census Bureau proposed a significantly higher threshold for qualifying as an Urban Area after the 2020 Census. In its proposal, areas would qualify as Urban if they contained 4,000 or more housing units. Elected officials from areas that would have lost their urban-area designation protested against what they saw as a dramatic departure from precedent; the Census Bureau ultimately decided to use the 2,000 housing unit or 5,000 person delineation in response to that critique.

After the 2020 Census, the OMB found that 285 million Americans live in Metropolitan areas and 46 million live in non-metropolitan areas.

Rural–Urban Continuum Codes and Rural–Urban Commuting Area Codes

The U.S. Department of Agriculture (USDA) manages many of the federal government’s rural programs, which are discussed in more depth below. To better target their investments in rural areas, USDA developed Rural–Urban Continuum Codes (RUCC) and Rural–Urban Commuting Area (RUCA) Codes.

RUCCs are geographic designations that further differentiate among OMB’s metropolitan and non-metropolitan areas. Three RUCCs distinguish between large, medium, and small metropolitan areas. Six RUCCs distinguish between non-metropolitan areas by population size and by whether a non-metropolitan area is adjacent to a metropolitan area.

RUCA Codes are assigned at the census tract level⁷ rather than the county level, and they incorporate commuting patterns in addition to population. The codes for micropolitan and other non-metropolitan areas distinguish among core micropolitan areas, micropolitan areas with high and low commuting, core small towns (population 2,500–9,999), small towns with high and low commuting, and rural areas.

RUCCs and RUCA Codes are updated each decade.

Non-governmental geographic designations

While federal definitions of urban and rural are often adopted by non-governmental entities, groups like the American Communities Project also use decennial census and ACS data to create more nuanced designations for U.S. counties. These non-governmental designations are sometimes used by foundations, researchers, and the media to conduct analyses or define priority areas for funding. For example, ACP is currently using their geographic methodology to assess how death rates from drugs, alcohol, and suicide differ in geographies like ‘Evangelical Hubs’, the ‘African American South’, ‘Hispanic Centers’, ‘LDS Enclaves’, and ‘Military Posts’.

Challenges to counting in rural areas

Getting an accurate census count is never straightforward, but rural areas offer many distinct challenges:

- Address complexity.
 - > Rural roads may lack official names or public access.
 - > Rural homes may lack numbers, or at least visible numbers. (This is especially common on Tribal lands.)
 - > Rural roads may be seasonally impassable due to weather.⁸

⁷ Census tracts are statistical subdivisions of a county, designed to contain roughly 4,000 residents, making them roughly an order of magnitude larger than a census block. Tract boundaries generally follow visible features like roads and streams, supplemented by political boundaries where needed, and are intended to remain reasonably stable across decades to support longitudinal analysis.

⁸ For example, most highways in Alaska are not maintained from October to May, making travel difficult; other areas in Alaska are accessible only by ice roads, which typically open in mid-January.

- Limited broadband access. Roughly 25% of rural households lack reliable internet access, making it difficult for people in those households to respond to the census online, which is now the primary channel for response.
- Geographic dispersion. In urban areas, field staff might collect responses from dozens of households in a single day, especially when many households are in a single apartment building. In rural areas, addresses in a field staff member's contact list are likely to be dispersed over a broad area, making data collection in that region more time-consuming and costly.
- Literacy challenges. Low literacy rates make self-response less likely and less accurate.
 - › 30% of adults in New Mexico are functionally illiterate (compared to 22% of the adults in the U.S. overall).
 - › 66% of adults in Appalachia read at or below an 8th-grade level and 30% read below a 3rd-grade level or cannot read at all.
- Hidden populations. While traditional follow-the-crop migration has declined sharply in recent decades, farmworkers remain an especially difficult group to count accurately. According to one recent study,⁹ more than a third of farmworker labor camps are hidden from public view and many camps do not have unique addresses.

Challenges to an accurate census count in rural areas can be mitigated with thoughtful planning, outreach, and investment. In 2020, the Census Bureau improved its address lists in rural areas using satellite imagery and through a partnership with the Postal Service. Complete Count Committees in some states specifically focused on the rural areas in their states, recognizing that local knowledge and engagement of local leadership was critical to getting an accurate count in their community.

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⁹ see <https://pmc.ncbi.nlm.nih.gov/articles/PMC4638263/>