

Business Oregon Targeted Employment Area Definitions

Business Oregon is the designated authority within the state of Oregon to certify geographic areas or political subdivisions that qualify as High Unemployment Areas as defined by 8 CFR 204.6(i).

Definitions

State designation of a High Unemployment Area. The state government of any state of the United States may designate a particular geographic or political subdivision located within a Metropolitan Statistical Area or within a city or town having a population of 20,000 or more within such state as an area of high unemployment (at least 150 percent of the national average rate). Evidence of such designation, including a description of the boundaries of the geographic or political subdivision and the method or methods by which the unemployment statistics were obtained, may be provided to a prospective alien entrepreneur for submission with Form I-526. Before any such designation is made, an official of the state must notify the Associate Commissioner for Examinations of the agency, board, or other appropriate governmental body of the state which shall be delegated the authority to certify that the geographic or political subdivision is a High Unemployment Area. [8 CFR 204.6 (i)]

Targeted Employment Area means an area which, at the time of investment, is a Rural Area or an area which has experienced unemployment of at least 150 percent of the national average rate. [8 CFR 204.6 (e)]

Rural Area means any area not within either a Metropolitan Statistical Area (as designated by the Office of Management and Budget) or the outer boundary of any city or town having a population of 20,000 or more. [8 CFR 204.6 (e)]

High employment area means a part of a Metropolitan Statistical Area that at the time of investment: (i) Is not a Targeted Employment Area; and (ii) Is an area with an unemployment rate significantly below the national average unemployment rate. The amount of capital necessary to make a qualifying investment in a high employment area within the United States, as defined in section 203(b)(5)(C)(iii) of the Act, is one million United States dollars (\$1,000,000). [8 CFR 204.6 (e)]

Required amounts of capital means (1) General. Unless otherwise specified, the amount of capital necessary to make a qualifying investment in the United States is one million United States dollars (\$1,000,000). (2) Targeted Employment Area.

The amount of capital necessary to make a qualifying investment in a Targeted Employment Area within the United States is five hundred thousand United States dollars (\$500,000). (3) High employment area. The amount of capital necessary to make a qualifying investment in a high employment area within the United States, as defined in section 203(b)(5)(C)(iii) of the Act, is one million United States dollars (\$1,000,000). [8 CFR 204.6 (f)]

Business Oregon
Targeted Employment Area Methodology for EB-5 Program
(Amended 6/1/2018)

A Targeted Employment Area (TEA) is defined by Title 8, Code of Federal Regulations (CFR), Section 204.6(e) as an area which, at the time of investment, is a Rural Area or an area which has experienced unemployment of at least 150 percent of the national average rate. A Rural Area is further defined as any area not within a Metropolitan Statistical Area (MSA) or the boundary of any city or town having a population of 20,000 or more. Areas which have experienced unemployment of at least 150 percent of the national average rate are called *High Unemployment Areas* and may be designated by states.

Therefore, all counties in Oregon not included in a MSA, excluding cities with populations of 20,000 or more, qualify as TEAs.

In accordance with 8 CFR 204.6(i), Business Oregon is the designated authority within the state of Oregon to certify geographic areas or political subdivisions located within MSAs or cities of 20,000 or more in Oregon as High Unemployment Areas. Business Oregon certifies geographic areas or political subdivisions such as counties, cities, Census Designated Places, census tracts, and block groups in MSA counties and cities of 20,000 or more as High Unemployment Areas if they have unemployment rates of at least 150 percent of the national unemployment rate.

The most current average annual unemployment rates (by calendar year) published by the Bureau of Labor Statistics (BLS) are used by Business Oregon to determine High Unemployment Areas. Business Oregon also uses five-year American Community Survey (ACS) data to estimate census-share labor force data for those areas for which the BLS does not publish current average annual unemployment rates in its Local Area Unemployment Statistics (cities with populations of less than 25,000, Census Designated Places, census tracts, and block groups). For these areas, the ratios of employment and unemployment in each area, relative to the county in which it lies, according to the most recent labor force statistics from the five-year ACS, are calculated. Those ratios are then applied to the county's most recent average annual employment and unemployment statistics from the BLS Local Area Unemployment Statistics, which results in estimated employment and unemployment for these smaller areas, from which unemployment rates are calculated.

Business Oregon may also certify a High Unemployment Area, as requested, for a combination of the aforementioned geographic and political subdivisions within a MSA or city of 20,000 or more, so long as the area is contiguous and has an unemployment rate of at least 150 percent of the national unemployment rate. These certifications will be evaluated on a case-by-case basis.

The 150 percent of the national average unemployment rate used for the 2018 High Unemployment Area determinations is **6.5 percent**. The BLS labor force data used to determine average annual unemployment rates consisted of benchmarked 2017 average annual data published in April 2018.

Business Oregon will publish an updated list of designated Rural Areas and High Unemployment Areas at the end of May 2019, based on benchmarked data published in April 2019.