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Part IX

Office of Management and Budget

Standards for Defining Metropolitan and Micropolitan Statistical Areas; Notice

OFFICE OF MANAGEMENT AND BUDGET

Standards for Defining Metropolitan and Micropolitan Statistical Areas

AGENCY: Executive Office of the President, Office of Management and Budget (OMB), Office of Information and Regulatory Affairs.

ACTION: Notice of decision.

SUMMARY: This Notice announces OMB's adoption of Standards for Defining Metropolitan and Micropolitan Statistical Areas. These new standards replace and supersede the 1990 standards for defining Metropolitan Areas. In arriving at its decision, OMB accepted many of the recommendations of the interagency Metropolitan Area Standards Review Committee (the Review Committee) as published in the August 22, 2000 **Federal Register**. In response to public comment, and with the further advice of the Review Committee, OMB modified the recommended criteria for titling Combined Statistical Areas, identifying Principal Cities, and determining Metropolitan Divisions. The new standards appear at the end of this Notice in Section D.

The Supplementary Information in this Notice provides background information on the standards (Section A), a brief synopsis of the public comments OMB received in response to the August 22, 2000 **Federal Register** notice (Section B), and OMB's decisions on the final recommendations of the Review Committee (Section C).

The adoption of these new standards will not affect the availability of Federal data for geographic areas such as states, counties, county subdivisions, and municipalities. For the near term, the Census Bureau will tabulate and publish data from Census 2000 for all Metropolitan Areas in existence at the time of the census (that is, those areas defined as of April 1, 2000).

EFFECTIVE DATE: This Notice is effective immediately. OMB plans to announce definitions of areas based on the new standards and Census 2000 data in 2003. Federal agencies should begin to use the new area definitions to tabulate and publish statistics when the definitions are announced.

ADDRESSES: Please send correspondence about OMB's decision to Katherine K. Wallman, Chief Statistician, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10201 New Executive Office Building, 725 17th Street, NW., Washington, DC 20503; fax: (202) 395–7245.

Electronic Availability and Addresses: This **Federal Register** notice, and the three previous notices related to the review of the Metropolitan Area standards, are available electronically from the OMB web site: *http://www.whitehouse.gov/OMB/fedreg/index.html* and from the Census Bureau web site: *http://www.census.gov/population/www/estimates/masrp.html.* **Federal Register** notices also are available electronically from the U.S. Government Printing Office web site: *http://www.access.gpo.gov/su_docs/aces/aces140.html.*

FOR FURTHER INFORMATION CONTACT: Suzann Evinger, Office of Information and Regulatory Affairs, Office of Management and Budget, (202) 395–7315; or E-mail: pop.frquestion@census.gov.

SUPPLEMENTARY INFORMATION:

A. Background

The Metropolitan Area program has provided standard statistical area definitions for 50 years. In the 1940s, it became clear that the value of metropolitan data produced by Federal agencies would be greatly enhanced if agencies used a single set of geographic definitions for the Nation's largest centers of population and activity. Prior to that time, Federal agencies defined a variety of statistical geographic areas at the metropolitan level (including ''metropolitan districts,'' ''industrial areas,'' ''labor market areas,'' and ''metropolitan counties'') using different criteria applied to different geographic units. Because of variations in methodologies and the resulting inconsistencies in area definitions, one agency's statistics were not directly comparable with another agency's statistics for any given area. OMB's predecessor, the Bureau of the Budget, led the effort to develop what were then called ''Standard Metropolitan Areas'' in time for their use in the 1950 census reports. Since then, comparable data products for Metropolitan Areas have been available. Because of the usefulness of the Metropolitan Area standards and data products, many have asked that the standards take into account more territory of the United States. Extending the standard to include the identification of Micropolitan Statistical Areas responds to those requests.

1. Concept and Uses

The general concept of a Metropolitan Statistical Area or a Micropolitan Statistical Area is that of an area containing a recognized population nucleus and adjacent communities that have a high degree of integration with that nucleus. The purpose of the Standards for Defining Metropolitan and Micropolitan Statistical Areas is to provide nationally consistent definitions for collecting, tabulating, and publishing Federal statistics for a set of geographic areas. To this end, the Metropolitan Area concept has been successful as a statistical representation of the social and economic linkages between urban cores and outlying, integrated areas. This success is evident in the continued use and application of Metropolitan Area definitions across broad areas of data collection, presentation, and analysis. This success also is evident in the use of statistics for Metropolitan Areas to inform the debate and development of public policies and in the use of Metropolitan Area definitions to implement and administer a variety of nonstatistical Federal programs. These last uses, however, raise concerns about the distinction between appropriate uses—collecting, tabulating, and publishing statistics as well as informing policy—and inappropriate uses—implementing nonstatistical programs and determining program eligibility. OMB establishes and maintains these areas solely for statistical purposes.

In order to preserve the integrity of its decision making with respect to reviewing and revising the standards for designating areas, OMB believes that it should not attempt to take into account or anticipate any public or private sector nonstatistical uses that may be made of the definitions. It cautions that Metropolitan Statistical Area and Micropolitan Statistical Area definitions should not be used to develop and implement Federal, state, and local nonstatistical programs and policies without full consideration of the effects of using these definitions for such purposes.

Metropolitan and Micropolitan Statistical Areas—collectively called Core Based Statistical Areas (CBSAs)—should not serve as a general purpose geographic framework for nonstatistical activities and may or may not be suitable for use in program funding formulas. The Metropolitan and Micropolitan Statistical Area Standards do not equate to an urban-rural classification; all counties included in Metropolitan and Micropolitan Statistical Areas and many other counties contain both urban and rural territory and populations. Programs that base funding levels or eligibility on whether a county is included in a Metropolitan or Micropolitan Statistical Area may not accurately address issues or problems faced by local populations,

organizations, institutions, or governmental units. For instance, programs that seek to strengthen rural economies by focusing solely on counties located outside Metropolitan Statistical Areas could ignore a predominantly rural county that is included in a Metropolitan Statistical Area because a high percentage of the county's residents commute to urban centers for work. Although the inclusion of such a county in a Metropolitan Statistical Area indicates the existence of economic ties, as measured by commuting, with the central counties of that Metropolitan Statistical Area, it may also indicate a need to provide programs that would strengthen the county's rural economy so that workers are not compelled to leave the county in search of jobs.

Program designs that treat all parts of a CBSA as if they were as urban as the densely settled core ignore the rural conditions that may exist in some parts of the area. Under such programs, schools, hospitals, businesses, and communities that are separated from the urban core by large distances or difficult terrain may experience the same kinds of challenges as their counterparts in rural portions of counties that are outside CBSAs. Although some programs do permit large Metropolitan Area counties to be split into ''urban'' and ''rural'' portions, smaller Metropolitan Area counties also can contain isolated rural communities.

Geographic information systems technology has progressed significantly over the past 10 years, making it practical for government agencies and organizations to assess needs and implement appropriate programs at a local geographic scale when appropriate. OMB urges agencies, organizations, and policy makers to review carefully the goals of nonstatistical programs and policies to ensure that appropriate geographic entities are used to determine eligibility for and the allocation of Federal funds.

2. Evolution and Review of the Metropolitan Area Standards

From the beginning of the Metropolitan Area program, OMB has reviewed the Metropolitan Area standards and, if warranted, revised them in the years preceding their application to new decennial census data. Periodic review of the standards is necessary to ensure their continued usefulness and relevance. Our current review of the Metropolitan Area standards—the Metropolitan Area Standards Review Project—has been the fifth such review. It has addressed, as a first priority, user concerns with the conceptual and operational complexity of the standards as they have evolved over the decades. Our three previous **Federal Register** notices have discussed this and other key concerns, as well as major milestones of the review.

In the fall of 1998, OMB chartered the Metropolitan Area Standards Review Committee (the Review Committee). We charged it with examining the 1990 Metropolitan Area standards in view of work completed earlier in the decade and providing recommendations for possible changes to those standards. The Review Committee included representatives from the Bureau of the Census (Chair), Bureau of Economic Analysis, Bureau of Labor Statistics, Bureau of Transportation Statistics, Economic Research Service (Agriculture), National Center for Health Statistics, and, *ex officio,* OMB. The Census Bureau provided research support to the Review Committee.

This is the fourth and final Notice pertaining to the Metropolitan Area Standards Review Project. OMB presented four alternative approaches to defining statistical areas in a December 21, 1998 **Federal Register** notice, ''Alternative Approaches to Defining Metropolitan and Nonmetropolitan Areas'' (63 FR 70526–70561). That Notice also included a discussion of the evolution of the standards for defining Metropolitan Areas as well as the standards that were used to define Metropolitan Areas during the 1990s.

OMB presented the Review Committee's initial recommendations in an October 20, 1999 **Federal Register** notice entitled, ''Recommendations From the Metropolitan Area Standards Review Committee to the Office of Management and Budget Concerning Changes to the Standards for Defining Metropolitan Areas'' (64 FR 56628–56644). OMB then published the Review Committee's final report and recommendations for revised standards in an August 22, 2000 **Federal Register** notice entitled ''Final Report and Recommendations From the Metropolitan Area Standards Review Committee to the Office of Management and Budget Concerning Changes to the Standards for Defining Metropolitan Areas'' (65 FR 51060–51077). The final recommendations presented in that Notice reflected some of the concerns raised in comments in response to the Review Committee's initial recommendations.

3. Future Directions

a. Statistical Area Research Projects

Our review of the Metropolitan Area standards over the past 10 years has raised a number of issues and suggested alternative approaches that warrant continued research and consideration. Ongoing research projects will improve understanding of the Nation's patterns of settlement and activity and how best to portray them. For example, Census Bureau staff are investigating the feasibility of developing a census tract level classification to identify settlement and land use categories along an urban-rural continuum. The Economic Research Service, in conjunction with the Office of Rural Health Policy in the Department of Health and Human Services and the University of Washington, has developed a nationwide census tract level rural-urban commuting area classification. This classification is available from the Economic Research Service web site: *http://www.ers.usda.gov:80/briefing/rural/ruca/rucc.htm*. These research efforts may lead to pilot projects at the Census Bureau or other agencies in the future.

b. Review of the Relationship Between Statistical Geographic Classifications and Other Federal Programs

The review of the Metropolitan Area standards also prompted comments about the use of Metropolitan and Micropolitan Statistical Area definitions in the design and administration of nonstatistical Federal programs and funding formulas. Although this relationship was not a criterion in reviewing the standards, the Review Committee and OMB recognize the existence and importance of this relationship. Comments received throughout the review indicated a need to distinguish more clearly between using Metropolitan and Micropolitan Statistical Areas to collect, tabulate, and publish statistics that measure economic and social conditions to inform public policy, and the use of the area definitions as a framework to determine eligibility or allocate funds for nonstatistical programs. Further, the Review Committee and OMB, as well as many commenters, recognize the need to begin a collaborative, interagency process that could result in the development of geographic area definitions that are appropriate for the administration of nonstatistical programs. Such a process could result in the identification of existing geographic area definitions and modifications to them that are already in use by agencies (for instance, there are at least six definitions of ''urban'' or ''urban place'' currently in use by Federal agencies), and in the development of guidelines that explain appropriate use of specific area definitions in various

circumstances. A longer-term goal of such an effort could be the development of one or more geographic area classifications designed specifically for use in the administration of nonstatistical Federal programs or of guidance for agencies that need to define geographic areas appropriate for use with specific programs.

B. Summary of Comments Received in Response to the August 22, 2000 Federal Register Notice

The August 22, 2000 **Federal Register** notice requested comment on the Review Committee's final recommendations to OMB concerning revisions to the standards for defining Metropolitan Areas.

OMB received 1,672 comment letters from individuals (1,483), municipalities and counties (88), regional planning and nongovernmental organizations (62), Members of Congress (25), state governments (13), and Federal agencies (1). Of the 1,672 letters, 1,314 offered comments regarding the Fort Worth, Texas area; all of these letters dealt with the identification of Metropolitan Divisions within the Dallas-Fort Worth-Arlington area and with the criteria for titling Combined Areas. OMB also heard concerns about the identification of Metropolitan Divisions and Combined Area titles from 141 other commenters from around the country.

Thirty-two commenters expressed concern about the potential effects of the proposed changes to the Metropolitan Area standards on nonstatistical Federal programs. Eight commenters were concerned about the effect on programs oriented toward rural areas, particularly if Micropolitan Areas were not treated as ''rural'' for purposes of Federal programs. Nine commenters expressed concern about the impact of the recommended standards on health-related programs. Several commenters suggested that OMB undertake research on the programmatic impact of the recommended standards. Others suggested that OMB state more strongly that it does not define Metropolitan and Micropolitan Areas for use in administering and determining participation in Federal nonstatistical programs.

Eight commenters addressed the Review Committee's recommendations about the qualification requirements for areas and central counties. Three commenters supported the Review Committee's recommendation that areas should qualify for CBSA status if a core of sufficient size—a Census Bureau defined urban cluster of at least 10,000 population or an urbanized area of at least 50,000 population—was present. Three commenters questioned the way in which the recommended standards would use urban clusters and urbanized areas as cores to qualify central counties, in particular when a core crosses county lines but the portion of the core in one county is not sufficient to qualify that county as central.

OMB received six comments about terminology in the proposed standards. Three commenters expressed support for the Review Committee's recommendation to retain the term ''metropolitan'' in reference to areas containing at least one core of 50,000 or more population. These commenters also expressed support for the use of the term ''micropolitan'' in reference to areas containing cores of at least 10,000 and less than 50,000 population. Several commenters expressed concern that the term ''Core Based Statistical Area'' would not be popular among users; only one commenter, however, supported dropping the term. One commenter favored using the terms ''megapolitan'' and ''macropolitan'' to distinguish between areas containing cores of at least one million and 50,000 population, respectively, as discussed in the October 20, 1999 **Federal Register** notice.

Twenty-six commenters remarked on the Review Committee's recommendations for identifying categories of CBSAs. Five commenters expressed support for the identification of two categories of CBSAs—metropolitan and micropolitan. Three commenters opposed identification of Micropolitan Areas because of the potential, but as yet unknown, impact such areas might have on the allocation of funds to Metropolitan Areas. One commenter expressed a similar concern without opposing the identification of Micropolitan Areas. Seven commenters favored the qualification of any county containing 100,000 or more population as a Metropolitan Area. Two commenters suggested that Combined Areas should be treated as CBSAs and that their component entities should be treated as Metropolitan Divisions.

Twelve commenters remarked on the Review Committee's recommendation to use the county as the geographic building block for CBSAs. Four commenters expressed support for the continued use of counties as building blocks. Three commenters expressed support for the use of minor civil divisions as building blocks for a primary set of statistical areas in New England. Five commenters expressed concern about the use of counties as building blocks, noting that some geographically large counties may contain populations that are not integrated with the CBSA to which the county qualifies. Several of these comments referred specifically to Douglas County, NV, which has commuting ties with the South Lake Tahoe area in the eastern end of El Dorado County, CA. Populations in the western end of El Dorado County, however, are more closely aligned with the Sacramento, CA area. When the recommended standards were applied to 1990 census data as a demonstration of the standards, the South Lake Tahoe area (El Dorado County, CA and Douglas County, NV) qualified to merge with the Sacramento area.

Forty-three commenters responded regarding the recommended criteria for qualifying outlying counties. Nearly all commenters supported the use of commuting data in determining the qualification of outlying counties. Thirteen of the commenters suggested that other measures should be used in addition to commuting. Six of these commenters suggested including a county in a Metropolitan Area if it is part of that area's metropolitan planning organization for transportation planning purposes. One commenter noted that commuting to work is a less relevant measure of interaction in areas that have high percentages of retirees. Three commenters suggested that commuting is too simplistic and is an insufficient measure of all social and economic interactions between areas. One commenter took issue with the specific wording of the decennial census questionnaire's place of work question, which was the basis of commuting data used to define Metropolitan and Micropolitan Areas under the standards recommended by the Review Committee. Nineteen commenters specifically responded regarding the commuting threshold used in qualifying outlying counties. Three commenters supported a 25 percent commuting threshold for outlying county qualification, as the Review Committee recommended; one commenter suggested reducing the threshold to less than 25 percent, and another specifically proposed a 20 percent threshold. Eleven commenters favored a 15 percent commuting threshold for outlying county qualification; these commenters generally drew attention to a particular county that did not qualify at the 25 percent level. Three commenters expressed general support for the Review Committee's recommendations but did not mention a specific commuting threshold.

OMB received 157 comments about the recommendations for merging and combining adjacent CBSAs. Nearly all commenters supported the recommendation to merge or combine

adjacent CBSAs when social and economic interaction between adjacent areas is evident. Two commenters suggested eliminating the identification of Combined Areas, arguing that the optional combination recommended by the Review Committee results in an inconsistent application of the Metropolitan and Micropolitan Area standards. Three commenters expressed concern that the criteria for combining adjacent CBSAs were too simplistic and by only measuring interactions between pairs of CBSAs did not account for more complex ties within large regions. One commenter suggested that OMB clarify the relationship between areas defined using the recommended standards (CBSAs, Combined Areas, and Metropolitan Divisions) and areas defined using the 1990 Metropolitan Area standards (Metropolitan Statistical Areas, Consolidated Metropolitan Statistical Areas, and Primary Metropolitan Statistical Areas). Two commenters suggested that Combined Areas should be treated as official Metropolitan or Micropolitan Areas. Eighty-nine commenters supported merging the Brownsville and McAllen areas to form a single Metropolitan Area, although these areas lacked sufficient commuting interchange to merge when the recommended standards were applied with 1990 census data. Twelve commenters expressed opposition to the potential combination of the Sarasota-Bradenton and Port Charlotte areas in Florida (which, according to the Review Committee's recommended standards applied to 1990 data, would combine only if local opinion in both areas favored doing so). Several of these commenters also noted that ties between the Port Charlotte area and the northern (Bradenton) portion of the Sarasota-Bradenton area were minimal. Eighteen commenters responded regarding the delineation of Combined Areas in North Carolina for Raleigh and Durham as well as for Greensboro-High Point, Burlington, and Eden-Reidsville. Of these, one commenter supported the Review Committee's recommendations based on the results of applying the recommended standards with 1990 census data; however, 17 expressed a preference to eliminate the five individual CBSAs that combine and instead recognize only the resultant combined entities.

Forty-seven commenters responded about the recommendations for identification of Principal Cities and the use of those cities in titling Metropolitan and Micropolitan Areas. Eighteen commenters expressed concern about the identification of census designated places as Principal Cities and the use of those places in titling Metropolitan and Micropolitan Areas. Seventeen of these commenters responded regarding the identification of specific census designated places as Principal Cities and the titling of their respective Metropolitan Areas. Eight commenters responded regarding aspects of the Principal City criteria that prevented some locally important cities from qualifying as Principal Cities and being included in their respective areas' titles. These commenters were concerned primarily with the requirement that Principal Cities with less than 250,000 population have a population at least one-third that of the largest place. One commenter suggested modifying the Principal City criteria to designate a larger number of places; this commenter also noted that doing so would reduce the need to use county names in the titles of Metropolitan Divisions. Eleven commenters responded regarding the titles of specific CBSAs in North Carolina; their comments on CBSA titles were related to their comments about the recommendations for merging and combining adjacent CBSAs. One commenter suggested that all cities of 500,000 or more population should be included in area titles.

OMB received 1,352 comments regarding the Review Committee's recommended criteria for identifying Metropolitan Divisions. Of these, 1,332 commenters expressed opposition to the Review Committee's recommendation, suggesting that the criteria were too strict and did not adequately identify all counties that could be considered ''main counties.'' Most of these commenters expressed support for recognizing a specific county or set of counties as a Metropolitan Division within a larger Metropolitan Area; however, some did note that the maximum outcommuting threshold was too low and should be either raised or eliminated. Five commenters supported the Review Committee's recommendation. Three commenters from New Jersey opposed the recommendation, noting that, in their opinion, it resulted in too many Metropolitan Divisions in that state. These commenters suggested lowering the outcommuting threshold so as to reduce the number of counties that qualified as main counties. Two commenters suggested that the boundaries of current Primary Metropolitan Statistical Areas (PMSAs) should be maintained as Metropolitan Division boundaries or the criteria for defining Metropolitan Divisions should result in areas that are consistent with current PMSA boundaries. Four commenters expressed a desire for smaller groupings of counties than those represented by the Metropolitan Divisions that resulted from the application of the recommended standards with 1990 census data. One commenter expressed opposition to the identification of Metropolitan Divisions when doing so would split the component urban core between two or more divisions. In effect, the commenter opposed the Review Committee's recommendation to identify Metropolitan Divisions, since the reason for doing so was to recognize the complexity of social and economic interactions within large Metropolitan Areas that contain individual urban cores that extend across multiple counties.

OMB received 1,394 comments about the Review Committee's recommended criteria for titling Combined Areas. Most of these comments pertained to the recommendation to include in the title the name of the largest Principal City from each of up to three CBSAs that combine. These commenters generally expressed support for titling Combined Areas using the largest Principal Cities within the combination regardless of their CBSA locations. Some commenters expressed concern about the Review Committee's recommendation that the Combined Area title include an additional place name only if the CBSA in which that place is located has a population at least one-third the size of the largest CBSA in the combination. Regardless of the specific circumstances, nearly all commenters noted that a result of the Review Committee's recommendation was to exclude some socially and economically prominent Principal Cities from the titles of their Combined Areas.

Seven commenters responded regarding the Review Committee's recommendations for defining New England City and Town Areas (NECTAs), NECTA Divisions, and NECTA Combined Areas. All seven commenters supported the identification of areas in New England that used cities and towns as building blocks. Three commenters specifically supported the Review Committee's recommendations regarding the identification of NECTAs. Two commenters suggested that cities and towns should be the building blocks for a primary set of areas in New England and that counties should be used to define an alternative set of areas. One commenter expressed support for the designation of NECTAs as either metropolitan or micropolitan. Two

commenters suggested that NECTAs should be defined using criteria that are different from criteria used to define CBSAs in the rest of the country; one of these commenters suggested that other measures should be used in addition to commuting to determine the extent of areas in New England.

OMB has taken all of these comments into account, giving them careful consideration. As outlined below, we have adopted some of the suggested changes and modified criteria recommended by the Review Committee in August 2000. In a number of other cases, however, we have concluded that we could not adopt the suggestions made by commenters without undermining efforts to achieve a consistent, national approach designed to enhance the value of data produced by Federal agencies.

C. OMB's Decisions Regarding Recommendations From the Metropolitan Area Standards Review Committee Concerning Changes to the Standards for Defining Metropolitan Areas

This section of the Notice provides information on the decisions OMB has made on the Review Committee's recommendations. In arriving at these decisions, we took into account not only the public comment on the Review Committee's recommendations published in the **Federal Register** on August 22, 2000, but also the considerable amount of information provided during the 10 years of this review process, including public comments gathered from two conferences, a Congressional hearing, discussions attendant to numerous presentations to interested groups, and responses to two earlier OMB Notices (on December 21, 1998, and October 20, 1999). Our decisions benefitted greatly from the public participation that served as a reminder that, although identified for purposes of collecting, tabulating, and publishing Federal statistics, the Metropolitan and Micropolitan Statistical Areas defined through these standards represent areas in which people reside, work, and spend their lives and to which they attach a considerable amount of pride. Finally, in reaching our decisions, OMB benefitted substantially from the continuing deliberations of the Review Committee in response to the public comment as well as the research support provided by Census Bureau staff. We have relied upon and very much appreciate the expertise, insight, and dedication of Review Committee members and Census Bureau staff.

OMB presents below our decisions on the Review Committee's specific recommendations:

1. OMB accepted the Review Committee's recommendation to define Metropolitan Areas and Micropolitan Areas within a Core Based Statistical Area (CBSA) classification, but modified the title of the standards and the names of the categories to include the word ''statistical,'' as indicated in Section 6 of the standards.

We considered two primary issues regarding the basis for categorizing CBSAs as either Metropolitan Statistical Areas or Micropolitan Statistical Areas. The first issue was whether to base categorization on the total CBSA population or on core population. OMB agrees with the Review Committee that since cores are the organizing entities of CBSAs, categorization should be based on the population in cores, reasoning that the range of services and functions provided within an area largely derive from the size of the core.

The second issue was whether to categorize areas based on the population of the most populous (or ''dominant'') core or on the total population of all (or ''multiple'') cores within a CBSA. OMB agrees with the Review Committee's recommendation that a single core of 50,000 or more population provides a wider variety of functions and services than does a group of smaller cores, even when such a group may have a collective population greater than 50,000. OMB was concerned that CBSAs categorized as Metropolitan Statistical Areas on the basis of the population in all cores would not bear the same kinds of characteristics as CBSAs categorized as Metropolitan Statistical Areas on the basis of a single core of 50,000 or more population. This decision also retains the current conceptual approach to defining Metropolitan Areas as based around concentrations of 50,000 or more population. The retention of this concept and the 50,000 population threshold will facilitate comparison of data for Metropolitan Statistical Areas over time.

OMB inserted the word ''statistical'' into the terms for categories of CBSAs and the title of the standards to make clearer the statistical purpose of these areas.

2. OMB accepted the Review Committee's recommendation to use counties and equivalent entities as the geographic building blocks for defining CBSAs throughout the United States and Puerto Rico, and to use cities and towns as the geographic building blocks for defining New England City and Town Areas (NECTAs).

Using counties and equivalent entities throughout the United States and Puerto Rico continues current practice, except in New England, where historically Metropolitan Areas have been defined using minor civil divisions. The choice of a geographic unit to serve as the building block can affect the geographic extent of a statistical area and its relevance or usefulness in describing economic and demographic patterns. The choice also has implications for the ability of Federal agencies to provide data for statistical areas and their components.

We believe it advantageous to use counties and their equivalents because they are available nationwide, have stable boundaries, and are familiar geographic entities. In addition, more Federal statistical programs produce data at the county level than at any subcounty level. OMB agrees with the Review Committee that the well-known disadvantages of using counties as building blocks for statistical areas—the large geographic size of some counties and resultant lack of geographic precision that follows from their use—are outweighed by the advantages offered by using counties.

We have reached our decision to use the county as the building block for CBSAs in New England, because we attach priority to the use of a consistent geographic unit nationwide. Use of a consistent geographic building block offers improved usability to producers and users of data; data for CBSAs in all parts of the country would be directly comparable. Some statistical programs, such as those providing nationwide economic data and population estimates, also have regarded the Metropolitan Area program's use of minor civil divisions in New England as a hindrance. They have sometimes used the currently available alternative county based areas for New England, known as the New England County Metropolitan Areas, or have minimized the number of data releases for Metropolitan Areas. Under the current Metropolitan Area program, data producers and users typically choose between (1) adhering to the preferred Metropolitan Statistical Areas, Consolidated Metropolitan Statistical Areas, and Primary Metropolitan Statistical Areas throughout the country and having data that limit comparisons between some areas, and (2) using alternative areas in New England and having more comparable data. OMB's decision eliminates the need for this choice.

Demographic and economic data for minor civil divisions in New England are more plentiful than similar data for

subcounty entities in the rest of the Nation. In recognition of the importance of minor civil divisions in New England, the wide availability of data for them, and their long-term use in the Metropolitan Area program, OMB also will use the minor civil division as the building block for a set of areas for the six New England states. These NECTAs are intended for use in the collection, tabulation, publication, and analysis of statistical data, whenever feasible and appropriate, for New England. Data providers and users desiring areas defined using a nationally consistent geographic building block should use the county based CBSAs in New England; however, counties are less well-known in New England than cities and towns.

3. OMB accepted the Review Committee's recommendation to use Census Bureau defined urbanized areas of 50,000 or more population and Census Bureau defined urban clusters of 10,000—49,999 population as the cores of CBSAs and to use the locations of these cores as the basis for identifying central counties of CBSAs. OMB also accepted the Review Committee's recommendation to identify central counties as those counties that (a) have at least 50 percent of their population in urban areas (urbanized areas or urban clusters) of at least 10,000 population or (b) have within their boundaries a population of at least 5,000 located in a single urban area (urbanized area or urban cluster) of at least 10,000 population.

In accepting the Review Committee's recommendation to use Census Bureau defined urbanized areas and urban clusters as the cores of Metropolitan Statistical Areas and Micropolitan Statistical Areas, OMB recognizes that urbanized areas and urban clusters are the organizing entities of CBSAs. The use of urbanized areas as cores is consistent with current practice. To extend the classification to areas based on cores of 10,000 to 49,999 population, OMB will use urban clusters as cores for Micropolitan Statistical Areas. Urban clusters will be identified by the Census Bureau following Census 2000 and will be conceptually similar to urbanized areas.

OMB agreed with the Review Committee that the location of these cores should be used to identify the central county or counties of each CBSA. The identification of central counties facilitates the use of county-to-county commuting data when determining whether additional counties qualify for inclusion in the CBSA.

4. OMB accepted the Review Committee's recommendation to use data on journey to work, or commuting, as the basis for grouping counties together to form CBSAs (i.e., to qualify ''outlying counties''). OMB accepted the Review Committee's recommendation to qualify a county as an outlying county if (a) at least 25 percent of the employed residents of the county work in the CBSA's central county or counties, or (b) at least 25 percent of the jobs in the potential outlying county are accounted for by workers who reside in the CBSA's central county or counties. OMB also accepted the Review Committee's recommendation not to use measures of settlement structure, such as population density, to qualify outlying counties for inclusion in CBSAs.

Three priorities guided OMB in reaching this decision. We believe the data used to measure connections among counties should describe those connections in a straightforward and intuitive manner, be collected using consistent procedures nationwide, and be readily available to the public. These priorities steered us to the use of data gathered by Federal agencies and, more particularly, to commuting data from the Census Bureau. Commuting to work is an easily understood measure that reflects the social and economic integration of geographic areas. OMB agrees with the Review Committee that changes in settlement, commuting patterns, and communications technologies have made settlement structure unreliable as an indicator of metropolitan character. We agree that the percentage of a county's employed residents who commute to the central county or counties is an unambiguous, clear measure of whether a potential outlying county should qualify for inclusion. The percentage of employment in the potential outlying county accounted for by workers who reside in the central county or counties is similarly a straightforward measure of ties. Including both criteria addresses the conventional and the less common reverse commuting flows.

There have been changes in daily mobility patterns and increased interaction between communities as indicated by increases in inter-county commuting over the past 40 years. The percentage of workers in the United States who commute to places of work outside their counties of residence has increased from approximately 15 percent in 1960 (when nationwide commuting data first became available from the decennial census) to nearly 25 percent in 1990. OMB agrees with the Review Committee that raising the commuting percentage required for qualification of outlying counties from the 15 percent minimum of the 1990 standards to 25 percent is appropriate against this background of increased overall inter-county commuting coupled with the removal of all settlement structure requirements from the outlying county criteria. In other words, since out-of-county commuting has become more commonplace, a higher percentage of commuting is necessary to demonstrate ties comparable to those indicated by a lower commuting rate in 1960. Further, both the Review Committee and OMB considered the ''multiplier effect'' (a standard method used in economic analysis to determine the impact of new jobs on a local economy) that each commuter would have on the economy of the county in which he or she lives. The size of the multiplier effect varies depending on the size of a region's economy and employment base, but a multiplier of two or three generally is accepted by regional economists, regional scientists, and economic development analysts for most areas. Applying such a measure in the case of a county with the minimum 25 percent commuting requirement means that the incomes of at least half of the workers residing in the outlying county are connected either directly (through commuting to jobs located in the central county) or indirectly (by providing services to local residents whose jobs are in the central county) to the economy of the central county or counties of the CBSA within which the county at issue qualifies for inclusion.

5. OMB accepted the Review Committee's recommendation to merge contiguous CBSAs to form a single CBSA when the central county or counties of one area qualify as outlying to the central county or counties of another. OMB accepted the Review Committee's recommendation to use the same minimum commuting threshold—25 percent—as is used to qualify outlying counties.

In accepting the Review Committee's recommendation to merge contiguous CBSAs, OMB recognized that patterns of population distribution and commuting sometimes are complex and, as a result, close social and economic ties, as measured by commuting, exist between some contiguous CBSAs. OMB agreed with the Review Committee that strong ties between the central counties of two contiguous CBSAs, similar to the ties between an outlying county and a central county or counties, should be recognized by merging the two areas to form a single CBSA.

6. OMB accepted the Review Committee's recommendations to identify Principal Cities and to use them

to title areas, but modified the recommendation concerning the criteria used to identify Principal Cities as indicated in Section 5 of the standards.

OMB's modifications address two concerns: (1) ensuring that at least one incorporated place of 10,000 or more population (if one is present) is recognized as a Principal City, and (2) allowing a fuller identification of places that represent the more important social and economic centers within a Metropolitan or Micropolitan Statistical Area. In the first instance, we were concerned that an unincorporated place with a large population, but relatively small employment base, would qualify as the only Principal City of its CBSA. OMB noted some instances in which an incorporated place of at least 10,000 population accounted for a larger amount of employment than the most populous place, but lacked sufficient population to qualify as a Principal City. OMB's modification to recognize the largest incorporated place of at least 10,000 population as a Principal City will affect only a small number of areas nationwide in which the most populous incorporated place has less population than a larger unincorporated community.

We also were concerned that the recommended criteria were too restrictive and that many smaller, but locally important, cities would not be recognized as Principal Cities of their respective CBSAs. This was especially the case when the CBSA included one city that was significantly larger in population size than all other cities within the CBSA. OMB's modification will permit a fuller identification of places with at least 50,000 population as Principal Cities. This modification likely will result in the identification of approximately 100 additional Principal Cities, many of which currently are recognized as central cities of Metropolitan Areas.

7. OMB accepted the Review Committee's recommendation to identify Metropolitan Divisions and NECTA Divisions that function as distinct areas within Metropolitan Statistical Areas and NECTAs that contain at least one core of 2.5 million or more population. OMB modified the criteria used to define Metropolitan Divisions within Metropolitan Statistical Areas as well as NECTA Divisions within NECTAs, as indicated in Section 7 of the standards.

OMB's modifications to the Metropolitan Division criteria reflect two concerns. First, OMB was concerned that the Review Committee's recommended criteria for identifying the main counties of Metropolitan Divisions were too strict, particularly with regard to the requirement that a county have less than 15 percent commuting to any other county within the Metropolitan Statistical Area. The purpose of the main county criteria is to identify those counties within a Metropolitan Statistical Area that are self-contained economic centers. Such counties, because of the strength of their employment base, can form the basis for a separate division within the larger Metropolitan Statistical Area. The first two criteria for main counties recommended by the Review Committee—percent of resident workers employed within a particular county and the ratio of jobs to employed residents—provide indicators of the economic strength and relative independence of the county. OMB determined, however, after considering public comment and further discussion by the Review Committee, that the (third) outcommuting requirement was not a direct indicator of a county's economic strength or its identity as an organizing entity around which to form a Metropolitan Division. Therefore, we are eliminating the outcommuting criterion.

Second, upon further review of commuting patterns and related social and economic interactions within the ten Metropolitan Statistical Areas that contained cores of at least 2.5 million population in 1990, OMB discerned two kinds of counties. In the first category are those counties that are strongly self-contained. These are characterized by high percentages (65 percent or greater) of employed residents who remain in the county to work and by high ratios of jobs to resident workers (.75 or greater). These ''main counties'' stand alone as self-contained social and economic units within the larger Metropolitan Statistical Area or provide the social and economic center around which a group of counties is organized.

A second category of counties consists of those with high ratios of jobs to resident workers, but a lower percentage of employed residents working within the county (50 percent to 64.9 percent). These ''secondary counties,'' while they can be identified as social and economic centers, also connect strongly with one or more adjacent counties through commuting ties. Such counties are only moderately self-contained and can provide the organizing basis for a Metropolitan Division only when paired with one or more counties of similar or greater economic strength. As such, they must combine with another secondary county or with a main county when forming the basis for a Metropolitan Division.

We also note that when combining secondary counties with other main or secondary counties and when qualifying additional outlying counties for inclusion in a Metropolitan Division, the employment interchange measure offers a more appropriate measure of interaction than determining ties based on the strength of commuting in one direction only. (The employment interchange measure is defined as the sum of the percentage of commuting from the entity with the smaller total population to the entity with the larger population and the percentage of employment in the entity with the smaller total population accounted for by workers residing in the entity with the larger total population.) Our decision to use the employment interchange measure is consistent with the reason for defining Metropolitan Divisions-that is, to recognize the complex social and economic interactions that occur within Metropolitan Statistical Areas that contain large urbanized areas. For the same reason, OMB modified the NECTA Division criteria to use the employment interchange measure, instead of the percentage of out-commuters, when qualifying additional outlying cities and towns for inclusion in a NECTA Division.

8. OMB accepted the Review Committee's recommendation to combine contiguous CBSAs when ties between those areas are less intense than those captured by mergers, but still significant. OMB accepted the Review Committee's recommendation to base combinations on the employment interchange measure between two CBSAs. OMB also accepted the Review Committee's recommendations that combinations of CBSAs, based on an employment interchange measure of at least 15 but less than 25, should occur only if local opinion (see Section C.10 below) in both areas is in favor and that combinations should occur automatically if the employment interchange measure between two CBSAs equals or exceeds 25. OMB added the word ''statistical'' to the term used to refer to areas resulting from the combination of CBSAs as indicated in Section 8 of the standards.

OMB agreed with the Review Committee that ties between contiguous CBSAs that are less intense than those captured by mergers (see Section C.5 above), but still significant, be recognized by combining those CBSAs. Because a combination thus defined represents a relationship of moderate strength between two CBSAs, OMB agrees with the Review Committee that the combining areas should retain their

identities as separate CBSAs within the combination.

OMB inserted the word ''statistical'' into the term used for combinations to make clearer the statistical purpose of these areas.

9. OMB accepted the Review Committee's recommendations to title (1) Metropolitan Divisions using the names of up to three Principal Cities, or up to three county names if no Principal Cities are present, in order of descending population size; and (2) NECTA Divisions using the names of up to three Principal Cities in order of descending population size, or the name of the largest minor civil division if no principal city is present. OMB modified the Review Committee's recommendations concerning titles of CBSAs, NECTAs, and Combined Statistical Areas, as indicated in Section 9 of the standards.

OMB's modification of the criteria for titling CBSAs addresses instances in which the largest Principal City is an unincorporated census designated place. Titles should provide a means of easily recognizing and locating CBSAs, and we are concerned that titles in which the first-named place is an unincorporated community might not be as recognizable nationally as those in which the first-named place is an incorporated place.

OMB's modification of the criteria for titling Combined Statistical Areas addresses three concerns: (1) The title of a Combined Statistical Area, to the extent possible, should reflect the geographic extent of the combination by including the names of Principal Cities contained within the areas that combine; (2) the title of a Combined Statistical Area, to the extent possible, should contain the names of the largest Principal Cities since these cities often are the social and economic centers for the broad region represented by the combination; and (3) the title of a Combined Statistical Area should not duplicate the title of any of the combining Metropolitan or Micropolitan Statistical Areas or Metropolitan Divisions.

10. OMB accepted the Review Committee's recommendation to apply only statistical rules when defining Metropolitan and Micropolitan Statistical Areas. OMB accepted the Review Committee's recommendation to allow the use of local opinion when contiguous CBSAs qualify to combine with an employment interchange measure of 15 to 24.9, but added one provision (Section 11b of the standards) that would allow for local opinion in titling Combined Statistical Areas.

Applying only statistical rules when defining areas minimizes ambiguity and maximizes the replicability and integrity of the process. Consideration of local opinion in specific circumstances, however, can provide room for accommodating some issues of local significance without impairing the integrity of the classification. OMB agrees with the Review Committee that when two contiguous CBSAs have an employment interchange measure of at least 15 and less than 25, the measured ties may be perceived as minimal by residents of the two areas. In these situations, local opinion is useful in determining whether to combine the two areas. OMB also agrees with the Review Committee that local opinion is useful in determining titles for Combined Statistical Areas that address the issues discussed in Section C.9 above.

11. OMB accepted the Review Committee's recommendation not to define types of settlement structure, such as urban, suburban, rural, and so forth, within the CBSA classification.

OMB recognizes that formal definitions of settlement types such as inner city, inner suburb, outer suburb, exurb, and rural would be of use to the Federal statistical system as well as to researchers, analysts, and other users of Federal data. Such settlement types, however, are not necessary for the delineation of statistical areas in this classification that describes the functional ties between geographic entities. These types would more appropriately fall within a separate classification that focuses exclusively on describing settlement patterns and land uses. We believe the Census Bureau and other interested Federal agencies should continue research on settlement patterns below the county level to describe further the distribution of population and economic activity throughout the Nation. In addition, OMB will consider initiating a collaborative, interagency process to foster improved understanding of geographic area classifications and to investigate the feasibility of developing alternative geographic area classifications that are appropriate for purposes such as the administration of nonstatistical programs.

12. OMB accepted the Review Committee's recommendation that the definitions of current Metropolitan Areas should not be automatically retained (i.e., ''grandfathered'') in the implementation of the ''Standards for Defining Metropolitan and Micropolitan Statistical Areas.''

In this context, ''grandfathering'' refers to the continued designation of an area even though it does not meet the standards currently in effect. The 1990 standards permitted changes in the definitions, or extent, of individual Metropolitan Areas through the addition or deletion of counties on the basis of each decennial census, but those standards did not permit the disqualification of Metropolitan Areas that previously qualified on the basis of a Census Bureau population count. To maintain the integrity of the classification, OMB favors the objective application of the new standards rather than continuing to recognize areas that do not meet the standards. The current status of a county as being within or outside a Metropolitan Area will play no role in the application of the Standards for Defining Metropolitan and Micropolitan Statistical Areas.

13. OMB accepted the Review Committee's recommendation to define new CBSAs between decennial censuses on the basis of Census Bureau population estimates or special census counts and to update the definitions of all existing CBSAs in 2008 using commuting data from the Census Bureau's American Community Survey.

The frequency with which new CBSAs are designated and existing areas updated has been of considerable interest to data producers and users throughout the Metropolitan Area Standards Review Project. The first areas to be designated by OMB using the Metropolitan and Micropolitan Statistical Area Standards and Census 2000 data will be announced in 2003. The sources and future availability of data for updating these areas figured prominently in the Review Committee's discussions and OMB's decisions. The availability of population totals and commuting data affects the ability to identify new CBSAs, reclassify existing areas among categories, and update the extent of existing areas. OMB agreed with the Review Committee that existing CBSAs should be updated every five years, and agreed that the availability of commuting data for all counties from the Census Bureau's American Community Survey in 2008 offered the possibility of updating the definitions of all existing CBSAs at that time.

Our decisions as discussed above are reflected in the text of the official Standards for Defining Metropolitan and Micropolitan Statistical Areas that we are issuing today. The following section presents these standards.

D. Standards for Defining Metropolitan and Micropolitan Statistical Areas

The Office of Management and Budget will use these standards to define Core

Based Statistical Areas (CBSAs) beginning in 2003. A CBSA is a geographic entity associated with at least one core of 10,000 or more population, plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting ties. The standards designate and define two categories of CBSAs: Metropolitan Statistical Areas and Micropolitan Statistical Areas.

The purpose of the Metropolitan and Micropolitan Statistical Area Standards is to provide nationally consistent definitions for collecting, tabulating, and publishing Federal statistics for a set of geographic areas. The Office of Management and Budget establishes and maintains these areas solely for statistical purposes.

Metropolitan and Micropolitan Statistical Areas are not designed as a general purpose geographic framework for nonstatistical activities or for use in program funding formulas. The CBSA classification does not equate to an urban-rural classification; Metropolitan and Micropolitan Statistical Areas and many counties outside CBSAs contain both urban and rural populations.

CBSAs consist of counties and equivalent entities throughout the United States and Puerto Rico. In view of the importance of cities and towns in New England, a set of geographic areas similar in concept to the county based CBSAs also will be defined for that region using cities and towns. These New England City and Town Areas (NECTAs) are intended for use with statistical data, whenever feasible and appropriate, for New England. Data providers and users desiring areas defined using a nationally consistent geographic building block should use the county based CBSAs in New England.

The following criteria apply to both the nationwide county based CBSAs and to NECTAs, with the exceptions of Sections 6, 7, and 9, in which separate criteria are applied when identifying and titling divisions within NECTAs that contain at least one core of 2.5 million or more population. Wherever the word ''county'' or ''counties'' appears in the following criteria (except in Sections 6, 7, and 9), the words ''city and town'' or ''cities and towns'' should be substituted, as appropriate, when defining NECTAs.

Section 1. Population Size Requirements for Qualification of Core Based Statistical Areas

Each CBSA must have a Census Bureau defined urbanized area of at least 50,000 population or a Census Bureau defined urban cluster of at least 10,000 population. (Urbanized areas and urban clusters are collectively referred to as ''urban areas.'')

Section 2. Central Counties

The central county or counties of a CBSA are those counties that:

(a) have at least 50 percent of their population in urban areas of at least 10,000 population; or

(b) have within their boundaries a population of at least 5,000 located in a single urban area of at least 10,000 population.

A central county is associated with the urbanized area or urban cluster that accounts for the largest portion of the county's population. The central counties associated with a particular urbanized area or urban cluster are grouped to form a single cluster of central counties for purposes of measuring commuting to and from potentially qualifying outlying counties.

Section 3. Outlying Counties

A county qualifies as an outlying county of a CBSA if it meets the following commuting requirements:

(a) at least 25 percent of the employed residents of the county work in the central county or counties of the CBSA; or

(b) at least 25 percent of the employment in the county is accounted for by workers who reside in the central county or counties of the CBSA.

A county may appear in only one CBSA. If a county qualifies as a central county of one CBSA and as outlying in another, it falls within the CBSA in which it is a central county. A county that qualifies as outlying to multiple CBSAs falls within the CBSA with which it has the strongest commuting tie, as measured by either (a) or (b) above. The counties included in a CBSA must be contiguous; if a county is not contiguous with other counties in the CBSA, it will not fall within the CBSA.

Section 4. Merging of Adjacent Core Based Statistical Areas

Two adjacent CBSAs will merge to form one CBSA if the central county or counties (as a group) of one CBSA qualify as outlying to the central county or counties (as a group) of the other CBSA using the measures and thresholds stated in 3(a) and 3(b) above.

Section 5. Identification of Principal Cities

The Principal City (or Cities) of a CBSA will include:

(a) the largest incorporated place with a Census 2000 population of at least 10,000 in the CBSA or, if no incorporated place of at least 10,000 population is present in the CBSA, the largest incorporated place or census designated place in the CBSA; and

(b) any additional incorporated place or census designated place with a Census 2000 population of at least 250,000 or in which 100,000 or more persons work; and

(c) any additional incorporated place or census designated place with a Census 2000 population of at least 50,000, but less than 250,000, and in which the number of jobs meets or exceeds the number of employed residents; and

(d) any additional incorporated place or census designated place with a Census 2000 population of at least 10,000, but less than 50,000, and one-third the population size of the largest place, and in which the number of jobs meets or exceeds the number of employed residents.

Section 6. Categories and Terminology

A CBSA receives a category based on the population of the largest urban area (urbanized area or urban cluster) within the CBSA. Categories of CBSAs are: Metropolitan Statistical Areas, based on urbanized areas of 50,000 or more population, and Micropolitan Statistical Areas, based on urban clusters of at least 10,000 population but less than 50,000 population.

Counties that do not fall within CBSAs will represent ''Outside Core Based Statistical Areas.''

A NECTA receives a category in a manner similar to a CBSA and is referred to as a Metropolitan NECTA or a Micropolitan NECTA.

Section 7. Divisions of Metropolitan Statistical Areas and New England City and Town Areas

(a) A Metropolitan Statistical Area containing a single core with a population of at least 2.5 million may be subdivided to form smaller groupings of counties referred to as Metropolitan Divisions.

A county qualifies as a ''main county'' of a Metropolitan Division if 65 percent or more of its employed residents work within the county and the ratio of the number of jobs located in the county to the number of employed residents of the county is at least .75.

A county qualifies as a ''secondary county'' if 50 percent or more, but less than 65 percent, of its employed residents work within the county and the ratio of the number of jobs located in the county to the number of employed residents of the county is at least .75.

A main county automatically serves as the basis for a Metropolitan Division. For a secondary county to qualify as the basis for forming a Metropolitan Division, it must join with either a contiguous secondary county or a contiguous main county with which it has the highest employment interchange measure of 15 or more.

After all main counties and secondary counties are identified and grouped (if appropriate), each additional county that already has qualified for inclusion in the Metropolitan Statistical Area falls within the Metropolitan Division associated with the main/secondary county or counties with which the county at issue has the highest employment interchange measure. Counties in a Metropolitan Division must be contiguous.

(b) A NECTA containing a single core with a population of at least 2.5 million may be subdivided to form smaller groupings of cities and towns referred to as NECTA Divisions.

A city or town will be a ''main city or town'' of a NECTA Division if it has a population of 50,000 or more and its highest rate of out-commuting to any other city or town is less than 20 percent.

After all main cities and towns have been identified, each remaining city and town in the NECTA will fall within the NECTA Division associated with the city or town with which the one at issue has the highest employment interchange measure.

Each NECTA Division must contain a total population of 100,000 or more. Cities and towns first assigned to areas with populations less than 100,000 will be assigned to the qualifying NECTA Division associated with the city or town with which the one at issue has the highest employment interchange measure. Cities and towns within a NECTA Division must be contiguous.

Section 8. Combining Adjacent Core Based Statistical Areas

(a) Any two adjacent CBSAs will form a Combined Statistical Area if the employment interchange measure between the two areas is at least 25.

(b) Adjacent CBSAs that have an employment interchange measure of at least 15 and less than 25 will combine if local opinion, as reported by the congressional delegations in both areas, favors combination.

(c) The CBSAs that combine retain separate identities within the larger Combined Statistical Areas.

Section 9. Titles of Core Based Statistical Areas, Metropolitan Divisions, New England City and Town Divisions, and Combined Statistical Areas

(a) The title of a CBSA will include the name of its Principal City with the largest Census 2000 population. If there are multiple Principal Cities, the names of the second largest and third largest Principal Cities will appear in the title in order of descending population size. If the Principal City with the largest Census 2000 population is a census designated place, the name of the largest incorporated place of at least 10,000 population that also is a Principal City will appear first in the title followed by the name of the census designated place.

(b) The title of a Metropolitan Division will include the name of the Principal City with the largest Census 2000 population located in the Metropolitan Division. If there are multiple Principal Cities, the names of the second largest and third largest Principal Cities will appear in the title in order of descending population size. If there are no Principal Cities located in the Metropolitan Division, the title of the Metropolitan Division will use the names of up to three counties in order of descending population size.

(c) The title of a NECTA Division will include the name of the Principal City with the largest Census 2000 population located in the NECTA Division. If there are multiple Principal Cities, the names of the second largest and third largest Principal Cities will appear in the title in order of descending population size. If there are no Principal Cities located in the NECTA Division, the title of the NECTA Division will use the name of the city or town with the largest population.

(d) The title of a Combined Statistical Area will include the name of the largest Principal City in the combination, followed by the names of up to two additional Principal Cities in the combination in order of descending population size, or a suitable regional name, provided that the Combined Statistical Area title does not duplicate the title of a component Metropolitan or Micropolitan Statistical Area or Metropolitan Division. Local opinion will be considered when determining the titles of Combined Statistical Areas.

(e) Titles also will include the names of any state in which the area is located.

Section 10. Update Schedule

(a) The Office of Management and Budget will define CBSAs based on Census 2000 data in 2003.

(b) Each year thereafter, the Office of Management and Budget will designate new CBSAs if:

(1) A city that is outside any existing CBSA has a Census Bureau special census count of 10,000 or more population, or Census Bureau population estimates of 10,000 or more population for two consecutive years, or

(2) A Census Bureau special census results in the delineation of a new urban area (urbanized area or urban cluster) of 10,000 or more population that is outside of any existing CBSA.

(c) In the years 2004 through 2007, outlying counties of intercensally designated CBSAs will qualify, according to the criteria in Section 3 above, on the basis of Census 2000 commuting data.

(d) The Office of Management and Budget will review the definitions of all existing CBSAs in 2008 using commuting data from the Census Bureau's American Community Survey. The central counties of CBSAs identified on the basis of a Census 2000 population count, or on the basis of population estimates or a special census count in the case of intercensally defined areas, will constitute the central counties for purposes of the 2008 area definitions. New CBSAs will be designated in 2008 and 2009 on the basis of Census Bureau special census counts or population estimates as described above; outlying county qualification in these years will be based on 2008 commuting data from the American Community Survey.

Section 11. Local Opinion

Local opinion, as used in these standards, is the reflection of the views of the public and is obtained through the appropriate congressional delegations. The Office of Management and Budget will seek local opinion in two circumstances:

(a) When two adjacent CBSAs qualify for combination based on an employment interchange measure of at least 15 but less than 25 (see Section 8). The two CBSAs will combine only if there is evidence that local opinion in both areas favors the combination.

(b) To determine the title of a Combined Statistical Area.

After decisions have been made regarding the combinations of CBSAs and the titles of Combined Statistical Areas, the Office of Management and Budget will not request local opinion again on these issues until the next redefinition of CBSAs.

Section 12. Definitions of Key Terms

Census designated place.—A statistical geographic entity that is

equivalent to an incorporated place, defined for the decennial census, consisting of a locally recognized, unincorporated concentration of population that is identified by name.

Central county.—The county or counties of a Core Based Statistical Area containing a substantial portion of an urbanized area or urban cluster or both, and to and from which commuting is measured to determine qualification of outlying counties.

Combined Statistical Area.—A geographic entity consisting of two or more adjacent Core Based Statistical Areas (CBSAs) with employment interchange measures of at least 15. Pairs of CBSAs with employment interchange measures of at least 25 combine automatically. Pairs of CBSAs with employment interchange measures of at least 15, but less than 25, may combine if local opinion in both areas favors combination.

Core.—A densely settled concentration of population, comprising either an urbanized area (of 50,000 or more population) or an urban cluster (of 10,000 to 49,999 population) defined by the Census Bureau, around which a Core Based Statistical Area is defined.

Core Based Statistical Area (CBSA).—A statistical geographic entity consisting of the county or counties associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties containing the core. Metropolitan and Micropolitan Statistical Areas are the two categories of Core Based Statistical Areas.

Employment interchange measure.—A measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of employed residents of the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

Geographic building block.—The geographic unit, such as a county, that constitutes the basic geographic component of a statistical area.

Main city or town.—A city or town that acts as an employment center within a New England City and Town Area that has a core with a population of at least 2.5 million. A main city or town serves as the basis for defining a New England City and Town Area Division.

Main county.—A county that acts as an employment center within a Core Based Statistical Area that has a core with a population of at least 2.5 million. A main county serves as the basis for defining a Metropolitan Division.

Metropolitan Division.—A county or group of counties within a Core Based Statistical Area that contains a core with a population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

Metropolitan Statistical Area.—A Core Based Statistical Area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county as measured through commuting.

Micropolitan Statistical Area.—A Core Based Statistical Area associated with at least one urban cluster that has a population of at least 10,000, but less than 50,000. The Micropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county as measured through commuting.

New England City and Town Area (NECTA).—A statistical geographic entity that is defined using cities and towns as building blocks and that is conceptually similar to the Core Based Statistical Areas in New England (which are defined using counties as building blocks).

New England City and Town Area (NECTA) Division.—A city or town or group of cities and towns within a NECTA that contains a core with a population of at least 2.5 million. A NECTA Division consists of a main city or town that represents an employment center, plus adjacent cities and towns associated with the main city or town, or with other cities and towns that are in turn associated with the main city or town, through commuting ties.

Outlying county.—A county that qualifies for inclusion in a Core Based Statistical Area on the basis of commuting ties with the Core Based Statistical Area's central county or counties.

Outside Core Based Statistical Areas.—Counties that do not qualify for inclusion in a Core Based Statistical Area.

Principal City.—The largest city of a Core Based Statistical Area, plus additional cities that meet specified statistical criteria.

Secondary county.—A county that acts as an employment center in combination with a main county or another secondary county within a Core Based Statistical Area that has a core with a population of at least 2.5 million. A secondary county serves as the basis for defining a Metropolitan Division, but only when combined with a main county or another secondary county.

Urban area.—The generic term used by the Census Bureau to refer collectively to urbanized areas and urban clusters.

Urban cluster.—A statistical geographic entity to be defined by the Census Bureau for Census 2000, consisting of a central place(s) and adjacent densely settled territory that together contain at least 2,500 people, generally with an overall population density of at least 1,000 people per square mile. For purposes of defining Core Based Statistical Areas, only those urban clusters of 10,000 more population are considered.

Urbanized area.—A statistical geographic entity defined by the Census Bureau, consisting of a central place(s) and adjacent densely settled territory that together contain at least 50,000 people, generally with an overall population density of at least 1,000 people per square mile.

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