

Washington State Targeted Employment Area Definitions and Methodology

Program Description

The Immigrant Investor (EB-5) program, administered by the U.S. Citizenship and Immigration Services (USCIS), provides immigrant visas for non-citizens and their families who invest in new commercial enterprises or troubled businesses in the U.S. The EB-5 program was created by Congress in 1990 to stimulate the U.S. economy through job creation and foreign investment. It is governed by federal laws and regulations, not by any Washington state agency.

Targeted Employment Areas

A Targeted Employment Area (TEA) is defined in Title 8, Code of Federal Regulations (CFR), Section 204.6(e) as an area which, at the time of investment, is a rural area (county) or an area which has experienced unemployment of at least 150 percent of the national annual average rate. These non-rural areas are called high unemployment areas and are designated by the states.

Rural areas

A rural area (county) is 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. Eighteen counties in Washington are not included in a MSA and qualify as TEAs (excluding their cities with populations of 20,000 or more).

Methodology

By Executive Order 92-09, the Washington State governor designated the Employment Security Department (ESD) as the authority within the state of Washington to certify geographic areas or political subdivisions as high unemployment areas. ESD certifies counties, census designated places, census tracts and census 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 ESD to determine high unemployment areas. ESD also uses five-year American Community Survey (ACS) data to estimate census-share labor force data in areas for which the BLS does not publish current average annual unemployment rates in its Local Area Unemployment Statistics reports (cities with populations of less than 25,000, census designated places, 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 then calculated.

ESD also may certify a high unemployment area for a combination of 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 are evaluated on a case-by-case basis. Census defined areas with no labor force are excluded from any analysis. For a complete description of the EB-5 program, visit the USCIS website and review the USCIS Policy Memorandum.

Important notes: The USCIS reserves the right to accept or reject state letters of certification. No application data is released to other agencies, businesses or individuals without prior written consent.