

Research Notes



Targeted Employment Areas (TEAS) by County
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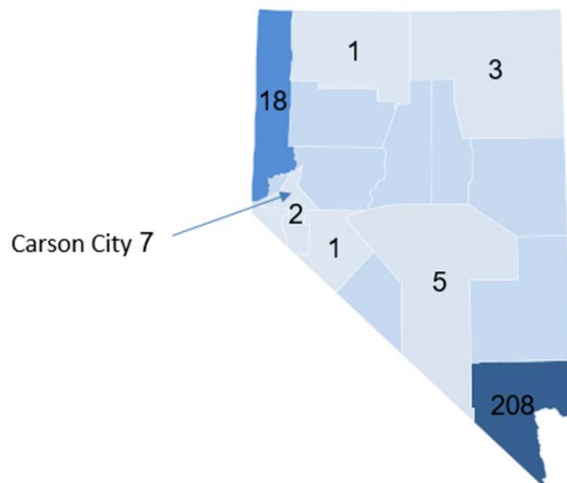
Note: 2019:93
 August 20, 2019

Most Targeted Employment Area Investment Projects Are Located in Clark County, follow by Washoe, and Carson City

Tracts that qualify as areas of high unemployment 2018

County	# tracts	# tracts that qualify
Clark	487	176
Washoe	112	14
Carson City	14	2
Storey	1	1
<u>Rural Areas:</u>		
Douglas	17	17
Elko	14	14
Nye	10	10
Lyon	10	10
Churchill	7	7
Mineral	2	2
White Pine	3	3
Lincoln	2	2
Humboldt	4	4
Lander	1	1
Esmeralda	1	1
Eureka	1	1
Pershing	1	1

Nevada: Investment Projects in Targeted Employment Areas
 by County 2010 -2019



- The U.S. Department of Homeland Security administers the EB-5 Visa Program, created in 1990 to stimulate the U.S. economy through job creation and capital investment. Under this program, entrepreneurs are eligible to apply for a green card (permanent residence) if they make a minimum investment of one million dollars in a commercial enterprise in the United States; and plan to create or preserve 10 permanent full-time jobs for qualified U.S. workers.
- Targeted Employment Areas (TEA) are part of the EB-5 Investment program. TEAs are defined either as areas of high unemployment (unemployment rate 150% of the national average), or as rural areas (any area not within either a metropolitan statistical area or the outer boundary of any city or town with a population of 20,000 or more according to the most recent decennial census of the U.S.). When an investment project is located within an area designated as a TEA, the investment requirement is lowered from one million dollars to a half-million. However, the investment amount will change on November 2019, for details see second to last bullet of this research note.

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- The Department of Employment, Training, and Rehabilitation's Research and Analysis Bureau is the appointed authority for designating TEA areas within the State of Nevada. DETR provides TEA designation at the census tract¹ level, and allows for combined multi-tract regions when forming TEA areas. TEA figures are updated annually, with new information becoming available in early May.
- All counties in Nevada qualify as rural areas, except for the State's Metros- Clark, Carson City, Washoe/Storey. Clark County currently has over 100 census tracts that meet the definition of high unemployment (dark blue area on map above), most located in north east part of the Las Vegas Valley. From 2010 through August 2019, about 208 letters have been issued for investment projects in Clark. Washoe County has around 14 areas of high unemployment, 18 letters have been issued for investment projects from 2010 through August 2019. Carson City has two areas of high unemployment. From 2010 through August 2019 seven letters have been issued for investment projects have being approved for this area.
- Although most investment projects are located in Clark, Washoe, and Carson City, the remaining counties qualify as TEA areas because they are rural areas. Five TEA letters have been issued for Nye County, three for Elko, two for Lyon, one for Mineral and one for Humboldt. Additional information about TEAs can be found at www.nevadaworkforce.com/TEA.
- On July 24, 2019 the Federal Register, Vol. 84, No. 142 published new rules and regulations regarding TEA designations. The new rules include among others:
 - (1) The final rule eliminates the ability of a state to designate certain geographic and political subdivisions as high unemployment areas; instead the Department of Homeland Security (DHS) will make such designations directly.
 - (2) The DHS will add cities and towns with a population of 20,000 or more outside of Metropolitan Statistical Areas (MSAs) as a specific and separate area that may qualify as a TEA based on high unemployment.
 - (3) The DHS will amend its regulations so that a TEA may consist of a census tract or contiguous census tracts in which the new commercial enterprise is principally doing business if: (i) the new commercial enterprise is located in more than one census tract; and (ii) the weighted average of the unemployment rate for the tract or tracts is at least 150 percent of the national average.
 - (4) The DHS will also amend its regulations so that a TEA may consist of an area comprising the census tract (s) in which the new commercial enterprise is principally doing business, including any and all adjacent tracts, if the weighted average of the unemployment rate for all included tracts is at least 150 percent of the national average.
 - (5) The DHS will retain the TEA minimum investment amount at 50 percent of the standard amount now raise to \$1.8 million. The minimum investment amount in a TEA will initially increase to \$900,000.
- The new rules will be effective on November 21, 2019, this is 120 days from the date of publication in the Federal Register. The details of the new rules can be found at: <https://www.federalregister.gov/documents/2019/07/24/2019-15000/eb-5-immigrant-investor-program-modernization>

¹ Census tracts are small, relatively permanent statistical subdivisions of a county. Census tracts average about 4,000 inhabitants.

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