

Methodology for Calculating FY 2022 Medians

HUD PROCEDURE FOR ESTIMATING FY 2022 MEDIAN FAMILY INCOMES

Geographic Definitions

HUD calculates median family incomes for metropolitan areas, which comprise one or more counties or county-equivalents¹, and individual nonmetropolitan counties². The geographic definitions of areas used for calculating median family incomes generally matches those used in HUD’s calculation of Fair Market Rents. In determining the definitions of metropolitan areas, HUD uses the delineations of metropolitan statistical areas found in OMB Bulletin NO. 18-04, issued September 14, 2018 as its starting point. The 2018 delineations are the most recent incorporated into American Community Survey (ACS) data described below. In many cases, HUD has split metropolitan statistical areas into smaller subareas, which HUD designates as “HUD Metropolitan Fair Market Rent Areas (HMFAs).”

Median Family Income Basis

In estimating FY 2022 median family incomes, HUD uses median family³ income data (as opposed to median household income data) from the 2019 American Community Survey (ACS) and the Puerto Rico Community Survey (PRCS) as calculated by the Census Bureau. The Census Bureau produces two types of ACS estimates: the “one-year” data, which represent estimates as of 2019; and the “five-year” data, which represent estimates as of 2015-2019 (but are inflated to 2019 dollars). HUD requires special tabulations of the ACS in order to match its custom HMFA definitions described above.

For the FY 2022 medians, HUD requires that the margin of error be less than half of the estimate and that the survey median is based on at least 100 responses (as identified by a count indicator value of 4 or more in HUD’s special tabulations of ACS data). If the current one-year or five-year estimate does not meet both conditions, HUD next examines the current and previous two five-year estimates. If at least two of these three estimates have margin of errors that are less than half their estimates, HUD takes the average of all such “minimally reliable” estimates (first inflating all values to the current ACS year) and uses this as the median family income basis. If less than two of the estimates are minimally reliable, HUD uses the median family income estimate for the next largest geographic area which contains the area in question. For example, a single non-metropolitan county without a valid county-level median family income estimate will receive the estimate for the non-metropolitan portion of its state, while a HMFA will receive the estimate for its OMB-defined metropolitan area.

CPI Inflation

¹ In the six New England states, metropolitan and nonmetropolitan areas comprise towns instead of counties.

² HUD groups nonmetropolitan independent cities in Virginia, which are county equivalents, together with nearby nonmetropolitan counties.

³ Family refers to the Census definition of a family, which is a householder with one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The definition of family excludes one-person households and multi-person households of unrelated individuals. In its standard tabulations, the Census Bureau publishes median family income estimates in table B19113.

HUD uses the 2019 American Community Survey (ACS) and Puerto Rico Community Survey (PRCS) median family income data (as opposed to household income data) as the basis of FY 2022 Income Limits for all areas of geography, except for the U.S. Virgin Islands and Guam, American Samoa, and the Northern Mariana Islands (the Pacific Islands). HUD uses actual data from the Consumer Price Index (CPI) published by the Bureau of Labor Statistics through February 2022 to bring the ACS and PRCS data forward from 2019 to the fiscal year 2022. Previously, HUD has relied on inflation forecasts from the Congressional Budget Office (CBO) in updating ACS estimates. However, at the time of FY 2022 median family income calculation, CBO had not issued an updated CPI forecast suitable for use by HUD. The inflation factor, representing the cumulative change in the CPI from 2019 through February 2022, is 1.1116.

Territories not Covered by the ACS

For the non-Puerto Rico Insular Areas of the United States,⁴ which currently lack the annual survey of ACS or PRCS, HUD uses 2010 Decennial Census data which collected 2009 median family incomes. These data were first incorporated into HUD's medians with the FY 2016 median family incomes and income limits. This continues to be the basis of the FY 2022 median family incomes and income limits. HUD uses national ACS median family income changes to update the 2009 median family income data to 2019. HUD then applies the same CPI adjustment used in ACS areas from 2019 to fiscal year 2022.

⁴The areas without ACS coverage American Samoa, Guam, the Northern Mariana Islands, and are the U.S. Virgin Islands.

ATTACHMENT 1

FY 2021 - 2022 Distribution of changes in Area Median Income

(100 Percent = FY 2021 Income Level)

STATE	Percent Change											Median
	less than 80%	80% to 84.9%	85% to 89.9%	90% to 94.9%	95 to 99.9	100% to 105%	105.1% to 110%	110.1% to 115%	115.1% to 120%	120.1% to 125%	125.1% or more	
AK					1	8	15	5				107
AL				1	1	3	21	18	7		3	111
AR					1	8	21	22	10	2		111
AS								1				113
AZ					1	2	5	4	2			110
CA						5	11	23	8	2	2	112
CO						10	20	15	6	4		110
CT						1	6	2	3			109
DE								1		1		117
FL				2	1	7	14	15	9	3	1	112
GA					2	16	32	36	17	5	3	111
GU								1				113
HI						1	1	1	1		1	115
IA					1	2	51	27	7	1	1	110
ID						6	15	11	4	1	2	110
IL			1			5	38	25	7	3	2	110
IN						4	26	33	5	2	1	111
KS					4	6	44	31	6	1		109
KY			1		3	8	40	21	16	4	3	110
LA				1	1	7	16	12	7			110
MA						4	4	5	3	1	1	111
MD					1		3	3	5			112
ME						1	6	8	2	2		112
MI					1	3	35	32	3	1	2	110
MN						3	32	30	5			110
MO				1		11	43	28	10	2		109
MP								1				113
MS			1	1		14	24	18	9	5	3	110
MT					3	6	19	20	5	2		110
NC					1	5	26	31	14	4	1	112

STATE	Percent Change											Median
	less than 80%	80% to 84.9%	85% to 89.9%	90% to 94.9%	95 to 99.9	100% to 105%	105.1% to 110%	110.1% to 115%	115.1% to 120%	120.1% to 125%	125.1% or more	
ND					1	10	22	7	6	4	1	110
NE					1	11	36	32	7	1		110
NH						1	6	5				110
NJ						1	4	4	1			110
NM					1	7	8	9	2	1	2	110
NV					1	2	6	6	1			110
NY						1	18	19	2	1		111
OH					1	3	21	32	6	1	2	111
OK				1	1	14	29	16	5	2		109
OR						6	4	12	5	1	3	112
PA					1	5	17	25	3	1		111
PR						4	4	1	1	2		109
RI							1	2				113
SC						3	16	4	8	1	4	110
SD				1		8	26	18	8		1	110
TN						9	15	30	12	3	3	112
TX	1		1	2	10	35	57	65	32	8	4	111
UT						2	13	8	1	1	1	110
VA			1		2	4	20	25	8	3		111
VI								3				113
VT							4	8				112
WA					2	4	9	12	3	1	2	111
WI						1	27	29	4	1	1	111
WV					2	6	17	12	7	2		110
WY					2	3	13	4	1			109
US	1		5	10	47	286	961	868	294	80	50	110

ATTACHMENT 1A

FY 2021 - 2022 Distribution of changes in Area Median Income

(100 Percent = FY 2021 Income Level)

Metropolitan Areas

STATE	Percent Change											Median
	less than 80%	80% to 84.9%	85% to 89.9%	90% to 94.9%	95 to 99.9	100% to 105%	105.1% to 110%	110.1% to 115%	115.1% to 120%	120.1% to 125%	125.1% or more	
AK						1	1	1				106
AL				1			7	6	2		1	112
AR					1	1	2	4	1	1		112
AZ					1			4	2			112
CA						1	4	16	7	1	1	114
CO							1	4	3			113
CT						1	5	2	3			109
DE								1		1		117
FL						4	7	8	7	2	1	113
GA						4	6	10	4	1	1	113
HI						1	1					106
IA					1		7	2	1	1	1	109
ID						1	1	4	3		1	115
IL						1	7	5	3	1	2	111
IN						2	7	11	2	2		112
KS							3	2	1			112
KY							5	2	3		1	111
LA				1		3	6	4	2			109
MA						3	4	4	3	1	1	111
MD					1		3	1	2			110
ME							3	3	1	1		112
MI							8	8	2		2	111
MN							3	5	2			112
MO							8	5	1	1		110
MS						3	3	2	2	2		109
MT							2	2				110
NC					1	3	5	16	4	2	1	112
ND						1	1		1			110
NE						1	2	4				111
NH							2	3				112

STATE	Percent Change											Median
	less than 80%	80% to 84.9%	85% to 89.9%	90% to 94.9%	95 to 99.9	100% to 105%	105.1% to 110%	110.1% to 115%	115.1% to 120%	120.1% to 125%	125.1% or more	
NJ						1	4	4	1			110
NM						1	1	2				112
NV						1		2				113
NY							6	10	1			111
OH					1	1	3	9	2	1		111
OK						1	5	2	1			109
OR						1	1	1	3		2	118
PA					1	3	5	11	2			111
PR						3	4	1	1	2		110
RI							1	2				113
SC						1	6	1	4	1	3	115
SD							1	1	1			111
TN						2	4	8	3	1	2	113
TX					1	3	10	16	5	5	1	113
UT							2	3	1	1		111
VA							6	6	5	2		112
VT								1				114
WA						2	3	5	2	1		112
WI							5	11	1		1	111
WV					1	1	5	4	2	1		111
WY							1	1				109
US				2	9	52	187	240	97	32	22	112

ATTACHMENT 1B

FY 2021 - 2022 Distribution of changes in Area Median Income

(100 Percent = FY 2021 Income Level)

Non-metropolitan Areas

STATE	Percent Change											Median
	less than 80%	80% to 84.9%	85% to 89.9%	90% to 94.9%	95 to 99.9	100% to 105%	105.1% to 110%	110.1% to 115%	115.1% to 120%	120.1% to 125%	125.1% or more	
AK					1	7	14	4				107
AL					1	3	14	12	5		2	111
AR						7	19	18	9	1		111
AS								1				113
AZ						2	5					107
CA						4	7	7	1	1	1	110
CO						10	19	11	3	4		109
CT							1					109
FL				2	1	3	7	7	2	1		110
GA					2	12	26	26	13	4	2	111
GU								1				113
HI								1	1		1	116
IA						2	44	25	6			110
ID						5	14	7	1	1	1	109
IL			1			4	31	20	4	2		110
IN						2	19	22	3		1	111
KS					4	6	41	29	5	1		109
KY			1		3	8	35	19	13	4	2	110
LA					1	4	10	8	5			110
MA						1		1				107
MD								2	3			116
ME						1	3	5	1	1		112
MI					1	3	27	24	1	1		110
MN						3	29	25	3			110
MO				1		11	35	23	9	1		109
MP								1				113

STATE	Percent Change											Median
	less than 80%	80% to 84.9%	85% to 89.9%	90% to 94.9%	95 to 99.9	100% to 105%	105.1% to 110%	110.1% to 115%	115.1% to 120%	120.1% to 125%	125.1% or more	
MS			1	1		11	21	16	7	3	3	110
MT					3	6	17	18	5	2		110
NC						2	21	15	10	2		111
ND					1	9	21	7	5	4	1	109
NE					1	10	34	28	7	1		110
NH						1	4	2				110
NM					1	6	7	7	2	1	2	110
NV					1	1	6	4	1			110
NY						1	12	9	1	1		110
OH						2	18	23	4		2	111
OK				1	1	13	24	14	4	2		109
OR						5	3	11	2	1	1	112
PA						2	12	14	1	1		111
PR						1						102
SC						2	10	3	4		1	110
SD				1		8	25	17	7		1	110
TN						7	11	22	9	2	1	112
TX	1		1	2	9	32	47	49	27	3	3	110
UT						2	11	5			1	108
VA			1		2	4	14	19	3	1		111
VI								3				113
VT							4	7				111
WA					2	2	6	7	1		2	110
WI						1	22	18	3	1		110
WV					1	5	12	8	5	1		110
WY					2	3	12	3	1			109
US	1		5	8	38	234	774	628	197	48	28	110

ATTACHMENT 2

FY 2022 Median Family Incomes for States, Metropolitan and Nonmetropolitan Portions of States

	----- TOTAL	FY 2022 METRO	----- NONMETRO	
Alabama		73600	78000	63200
Alaska		102200	109600	92200
Arizona		82800	84300	55400
Arkansas		69400	74800	60200
California		101600	102100	80300
Colorado		105800	109800	82500
Connecticut		112600	112600	112600
Delaware		96900	96900	71300*
District of Columbia		144800	144800	71300*
Florida		79300	79900	60700
Georgia		83200	88000	64100
Hawaii		107200	111100	95200
Idaho		80400	84400	71600
Illinois		97600	101700	76100
Indiana		82100	85100	74500
Iowa		86900	93600	78900
Kansas		87800	95500	73400
Kentucky		73600	82800	61700
Louisiana		72400	75700	56600
Maine		84800	94700	72100
Maryland		117500	118200	93600
Massachusetts		120400	120500	119400
Michigan		84200	87900	71500
Minnesota		104000	112800	83600
Mississippi		65000	72000	58800
Missouri		81700	89200	63500
Montana		81200	80500	81600
Nebraska		89000	93800	80900
Nevada		84600	84900	81800
New Hampshire		108000	117000	94500
New Jersey		117500	117500	71300*
New Mexico		68700	70800	63800
New York		99500	101700	76700
North Carolina		80100	83900	66900
North Dakota		96800	100800	93100
Ohio		83300	85800	74900
Oklahoma		76000	82300	64700
Oregon		91800	97000	71800
Pennsylvania		90100	92900	72900
Rhode Island		99300	99300	71300*
South Carolina		78400	81700	58800
South Dakota		85400	91000	81200
Tennessee		77800	82700	64700
Texas		85300	87800	68800
Utah		95800	97200	83200
Vermont		92800	109000	85700
Virginia		103900	111600	67800
Washington		105300	108700	79600
West Virginia		67700	73300	59300
Wisconsin		91000	95300	81500
Wyoming		88900	91900	87600
US		90000	92900	71300

* US non-metropolitan median