Comparing the Candidate Distress Indexes to the ARC Distress Index

In the previous section, we identified our six preferred Candidate Distress Indexes for further analysis (see Table 3.4). This section demonstrates how each of the six Candidate Distress Indexes would affect the distress categorization of each ARC county. Because the "weakest" 10% of U.S. counties are categorized as being in distress, the total number of distressed counties in the U.S. does not change using our Candidate Distress Indexes compared to the ARC index. However, the geographical distribution of the counties inside and outside of the ARC region categorized as being in distress can change due to the differing implicit weighting in the current ARC Distress Index and the different variables used in the construction of each Candidate Index. In other words, our more refined analysis may find that a greater number of ARC counties are in fact distressed relative to the nation when contrasted with ARC's current distress indicator.

To show the categorization of each of the Candidate Distress Indexes, we follow the approach outlined in our April 2008 ARC report (Partridge et al., 2008). Specifically, we report four sets of results for the Candidate Distress Indexes using 2007 data.

- First, we present a map for the entire U.S. that shows how the distress categorization would change if the respective 2006/2007 Candidate Distress Index replaced the FY2007 ARC Distress Index. The U.S. comparison is primarily used to show how the Candidate Distress Index benchmarks to the entire nation.

- Second, we present the corresponding map of how the distress categorization changes for the ARC region, which represents the most important result of our analysis. This is the same comparison to the FY2007 ARC Distress Index as the U.S. map, but we "zoom in" to the ARC region only.

- Third, we report a table that summarizes the changes across each of the five ARC economic categories by state that would occur if the alternative candidate variables were used compared to the FY2007 ARC Index. Appendix Table A7 presents a brief summary solely of the number of distressed counties for each Candidate Index by state (as well as for the ARC Indexes for FY2007 and FY2010).

- Fourth, for each of the six Candidate Distress Indexes, we show a map that illustrates how the Candidate Indexes would classify the ARC counties into the five ARC economic categories ranging from distress, at-risk, all the way to attainment. The general order of our discussion of the six Candidate Distress Indexes follows our minor preference in ranking each Candidate Index.

To preview the results, the general pattern is that the Candidate Indexes suggest that a greater number of ARC counties would be classified as either distressed or at-risk compared to the current ARC Distress Index. Specifically, compared to the 74 distressed and 88 at-risk ARC counties delineated using the current index (in FY2007), there would be between 82-95 counties classified as distressed and 87-112 classified as at-risk using the 6 Candidate Indexes. Note that

this is relative to the nation in that the Candidate Indexes also use the lowest 10% of U.S. counties to be classified as distressed and the lowest 10 to 25% to be classified as at-risk.

Candidate Index 1: Population Growth, Employment/Population Rate, Four-year College Attainment, and Poverty Rate

The four sets of results are presented graphically in Figures 4.1a-4.1c and summarized in Table 4.0 (which outlines changes taking place in the distress status of ARC counties when various indexes are employed). Figure 4.1a shows how the distress categorization would change nationally if the Candidate Index replaced the current ARC Index**.** We use the following colors to represent the changes. *Red* indicates counties that would be categorized as distressed under both indexes – in other words, both measures produce the same result. *Blue* represents counties that are categorized as distressed with the ARC index, but that would not be categorized as distressed using the Candidate Index. *Green* refers to counties that would be categorized as distressed using the Candidate Index, but not under the current ARC index. *White* indicates counties that are not categorized as distressed using either index.

Many counties in Central Appalachia turn green when this Candidate Index (containing population growth, employment-to-population ratio, percent of adults with four years of college, and the poverty rate) is used. Outside of the ARC region, the Candidate Index indicates more distressed (green) counties in the fringes of the Mississippi Delta and the Historic Cotton Belt, as well as in several counties in Georgia and Alabama and fewer distressed (blue) counties along the Rio Grande and in the Great Plains Reservations.

Figure 4.1b shows the same distress categorization specifically for the ARC region. The new Candidate Index reveals a scattering of green (newly distressed) counties throughout the Central Appalachian area, and an arc of blue (no longer distressed) counties stretching from Kentucky into Tennessee. The regions of Mississippi and Alabama that are close to the southern ARC border also have a total of five newly distressed counties (i.e., the southwest part of the ARC region near the Delta and the Cotton Belt) according to this Candidate Index, offsetting some of the blue counties that would fall out of the distress category (including one county in Pennsylvania).

Table 4.0 indicates that overall, 34 counties change distress status (for comparison, 74 ARC counties were classified as distressed in FY2007 using the ARC Distress Index). Specifically 21 counties move into the distress category and 13 counties move out of the distress category, for a net addition of 8 more counties categorized as being in distress using this Candidate Index. Table 4.1 confirms using this Candidate Index that 8 more counties are in distress using this Candidate Index (82 total in distress) compared to the current ARC Index measured in FY2007 (74 in distress). In particular, 11 more counties are classified as being in distress with the new Candidate Index, and 3 counties drop out of distress status (for a net change of 8). In terms of details, the changes break out as follows: Five states have additional distressed counties (AL, +2; MS, +2; OH, +2; VA, +4; and WV, +1) and two states have fewer distressed counties (KY, −2; and PA, −1). Furthermore, there is a net decrease of 1 county considered at-risk with this Candidate Index (with 12 becoming at-risk and 13 falling out of at-risk status), and the number

of transitional counties falls by 18 (from 225 to 207 counties). The number of competitive counties increases by 6, and the number of in attainment counties rises by 5 with this Candidate Index. Details as to where these counties are found, specifically by state, are reported in Table 4.1. For example, most of the counties (4) that are in attainment under this Candidate Index are located in Georgia.

Finally, Figure 4.1c shows the full range of ARC economic categories using the Candidate Index. Clearly, the largest concentration of red counties is observed across Central Appalachia (Kentucky and West Virginia especially) but the very southern reaches of the region in Mississippi and Alabama are also shaded in dark red. Light blue counties (competitive) are scattered throughout the region, with a notable concentration of dark blue (attainment) counties around the Atlanta, GA metropolitan area, and a single dark blue county in New York.

Candidate Index 2: Population Growth, Employment/Population Rate, Four-year College Attainment, Poverty Rate, and Per-capita Market Income

Figures 4.2a and 4.2b show a heavy concentration of red counties in Kentucky and West Virginia (indicating that both the current ARC Index and this Candidate Index classify the counties in the same manner, i.e., as distressed). In addition, blue counties that are no longer classified as being distressed (using Candidate 2) and green counties (that Candidate 2 now classifies as being distressed) are interspersed with the red ones. Further, while the counties in the southwestern ARC are mostly red, a few green counties and one blue county can be found in this region. Figure 4.2c shows how the counties compare with one another when we apply the ARC Region County Economic Levels.

With this indicator the number of distressed counties (also) rises to 82, while the number of counties at-risk increases to 94 (see Table 4.2). Virginia adds 4 distressed counties compared to the current ARC distress index, while Mississippi, Ohio and Tennessee each add two distressed counties, and Alabama adds one. In contrast, Kentucky and West Virginia each have one less distressed county. In terms of the at-risk category, Kentucky (1 added county), Tennessee (2) and West Virginia (6) all have more at-risk counties as compared to the current ARC index. There also are fewer transitional counties (199 compared to 225), eleven additional competitive counties and one more county overall that is in attainment. In fact, Georgia and Alabama each add one county in attainment while Virginia loses its one county that is in attainment under the current ARC index.

Candidate Index 3: Population Growth, Employment/Population Rate, Four-year College Attainment, and Per-capita Market Income

Figures 4.3a and 4.3b show a concentrated, if not sustained, cluster of red counties in the border area between Kentucky and West Virginia but there are also a handful of green counties (i.e., our method suggests distress whereas ARC's current index does not). The southwestern portion of the ARC region shows a somewhat balanced mosaic of blue, green and red counties. Figure 4.3c shows the distribution of ARC Region Economic Levels when our indicator is applied. Clearly, a distinct core of dark red counties in the central Appalachian Region remains, and the darker blue (in attainment) counties around the Atlanta metro area are noteworthy.

With this third candidate index, the number of distressed counties rises yet further (Table 4.3), when compared to the FY2007 ARC Index (to 90 from 74). Many of these added distressed counties (8) are found in Virginia, perhaps surprisingly, where the number in distress skyrockets from 1 to 9. However, West Virginia (plus 6 counties) and Ohio (plus 3) also see increases while Kentucky (minus 3, from 34 to 31) experiences a reduction in the number of distressed counties, as do Georgia and Pennsylvania. The number of at-risk counties rises from 88 using the ARC Index to 100 with this third candidate index. Pennsylvania experiences the greatest increase, from 1 to 13 counties, while the largest drop occurs in North Carolina (from 7 to only 3 counties).

Next, we turn to the same analysis *with the only exception that we use at least one year of college attainment rather than a bachelor's degree*. The first measure includes both the poverty rate and per capita market income (note that this does not perfectly match index 4.1 as that one did not include per capita market income).

Candidate Index 4: Population Growth, Employment/Population Rate, At Least One Year College Attainment; Poverty Rate, and Per-capita Market Income

Figures 4.4a and 4.4b compare county distress status for our fourth candidate index with the status obtained using the ARC Index. As noted, the major modification here is in terms of the number of years of college attended by the adult population. Again a cluster of red counties appears in the central ARC region, along with a smattering of mostly green counties – indicating that our measure picks up distress where the current ARC measure does not. Figure 4.4c demonstrates the shifts in the ARC Region County Economic Levels under this alternative index.

With Candidate Index 4, there are 87 distressed counties or 13 more than is the case with the current ARC Index. Here most of the increases (4) are observed in Tennessee, where the number of counties in distress rises from 7 to 11, and in Virginia (where the increase is from 1 to 5 counties, also for a net addition of 4). The number of at risk counties is 99 and there are 193 transitional counties with this fourth Candidate Measure. There are more competitive counties with this indicator (33 vs. 26) and one more county is in attainment when compared to the current ARC measure. The number of competitive counties in Georgia doubles, from six to twelve when we switch from the ARC Index to the Candidate Index constructed here.

Candidate Index 5: Population Growth, Employment/Population Rate, At Least One Year College Attainment, and Poverty Rate

In Figures 4.5a and 4.5b, the now familiar pattern of red counties in the core ARC region again emerges, along with a notable number of green counties and a few blue counties. In the southwestern portion of the region, more counties are red, and three each are blue and green. Figure 4.5c shows the ARC County Economic Levels based on this index.

With this candidate index, 88 counties are in distress with Tennessee, Virginia and West Virginia showing the largest increases, respectively adding 6, 4, and 4 more counties. Alabama, Kentucky, and Mississippi retain the same total number of distressed counties (34) under either scenario. In terms of the at-risk classification, we see an increase from 88 to 104 for the total count (or a net addition of 16 counties at-risk). The number of transitional counties is 187,

compared with 225 using the ARC index, with the biggest differences occurring in Georgia (a drop of ten counties, from 26 to 16), West Virginia (a drop from 21 to 12) and Pennsylvania (a drop from 45 to 37). With this measure, 30 counties are competitive (up from 26 under the ARC Index) and 11 are in attainment (up from 7).

Candidate Index 6: Population Growth, Employment/Population Rate, At Least One Year College Attainment, and Per-capita Market Income

Turning to our last candidate index, the results in Figures 4.6a and 4.6b show that the core ARC region appears in red, along with a number of green counties, but with relatively fewer blue counties. In the southwestern corner of the region, a few scattered blue and green counties appear, along with five red counties clustered into two groups. In the national map, a number of blue counties appear in the West, along with nearly a dozen along the Rio Grande River region (Figure 4.6a). Figure 4.6c portrays the ARC region using County Economic Levels, again with the familiar core set of counties stretching through Kentucky and West Virginia. The dark red counties are often, but not always, near or surrounded by pink counties, suggesting that the highest amount of distress is concentrated in the core region, tapering off as one moves away from this core, especially towards the northeast (Pennsylvania).

Based on this sixth index, 95 counties are distressed, compared to 74 with the ARC Index. Major changes in county classifications occur in Ohio (3 counties are added), Tennessee (4 are added), Virginia (an increase of 8, from 1 to 9 counties), and in West Virginia, where the increase is 7, from 16 to 23 counties. Kentucky actually has one less county in distress under this scenario (33 rather than 34 using the ARC Index). In Pennsylvania the number of distressed counties drops from 1 under the FY2007 ARC Index to zero if this sixth candidate index is used. The number of at-risk counties jumps by 24, from 88 to 112: more than two-thirds of this increase occurs in Pennsylvania, where the number skyrockets from only one to 18. The number of transitional counties drops from 225 to 168, with significant declines occurring in Pennsylvania (from 45 to 29) and in West Virginia (from 21 to 10 counties). Eleven more counties are competitive using this indicator compared to the FY2007 ARC Index (with most of this change occurring in Georgia with a doubling of counties from 6 to 12). Eight counties are now found to be in attainment, which is virtually unchanged from the ARC case.

Summary of Results

Overall, the new sets of candidate variables included in our comprehensive analysis give us greater confidence in the final county distress designations. Of equal importance, these variables are good indicators both of current distress conditions and the conditions that are likely to exist in the future. One striking result is the strong persistence of a core set of ARC counties across Kentucky and West Virginia that remain in distress even after other measures are included, especially the employment-to-population ratio, educational attainment and population growth. Yet, there are also many changes in the counties that are classified as distressed, with between 28-47 counties changing status using the Candidate Indexes versus the current ARC Index (74 counties are classified as distressed with the current ARC Index). Remarkably, our analysis reveals a strong and immutable association between poverty and people being in the workforce.

In other words, employment remains one of the most powerful tools available to move people out of poverty, but in turn, employment depends on levels of education.

Our analysis then leads us to classify a greater number of ARC counties as being in distress (compared to the U.S. benchmark), with these counties most generally in Alabama, Tennessee, Virginia, and West Virginia. Not a single county in New York or Pennsylvania is identified as distressed as a product of our investigation, although Pennsylvania usually adds several more counties designated as at-risk. Figure 4.7 shows the general geographical pattern applies even after increasing the weight on the population growth variable in the overall index fourfold to assess the sensitivity of the results.[3] As shown in Figure 4.7, the distribution of distressed counties is fairly similar to the six Candidate Indexes, even after heavily weighting population growth.

[3]We strongly weight population growth because distress appears to more greatly manifest itself along that dimension in Pennsylvania and New York (see Partridge et al., 2008).

Figure 4.1a: Candidate Index 1: Population Growth, Employment/Population Rate, Four-Year College Attainment, Poverty Rate

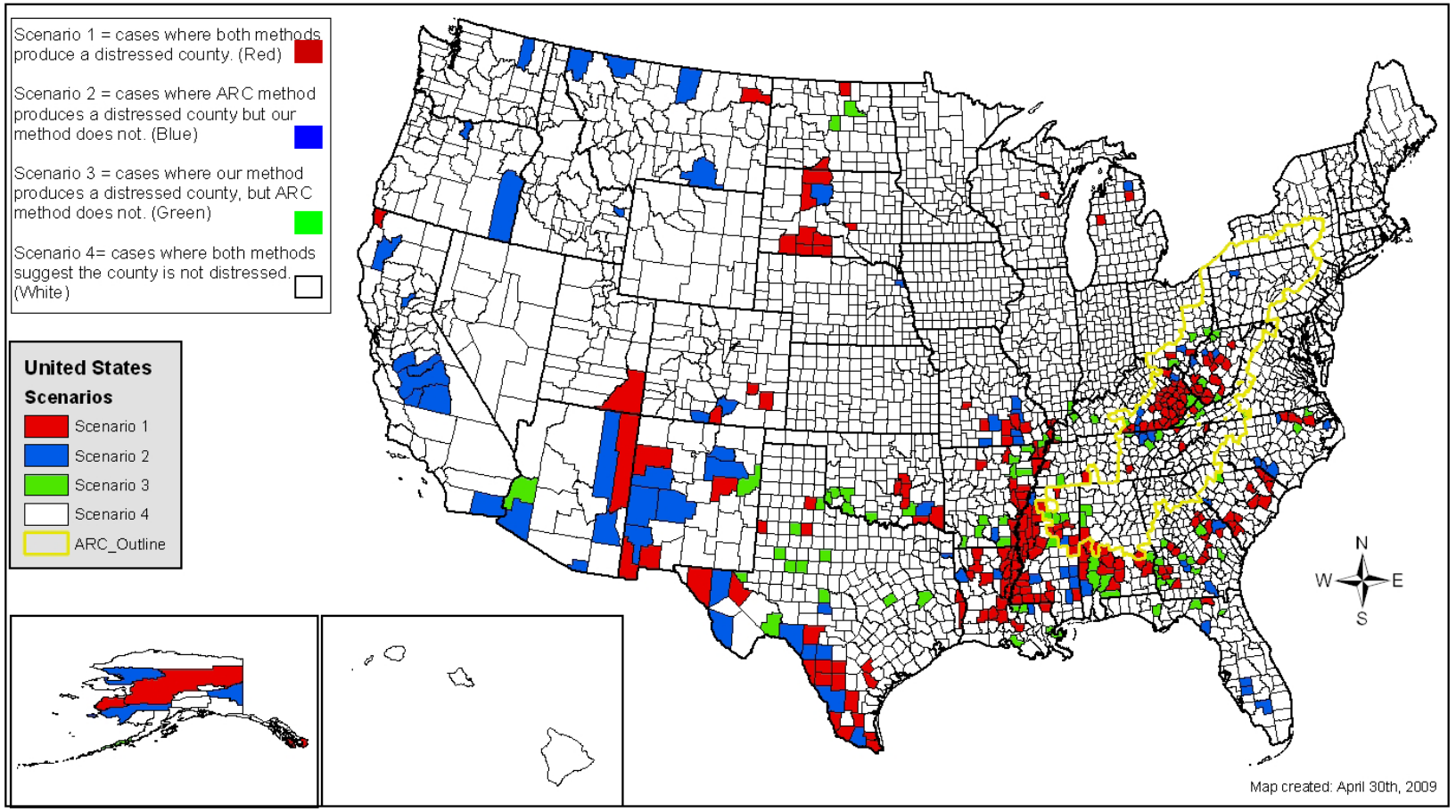

Figure 4.1b: Candidate Index 1: Population Growth, Employment/Population Rate, Four-Year College Attainment, Poverty Rate

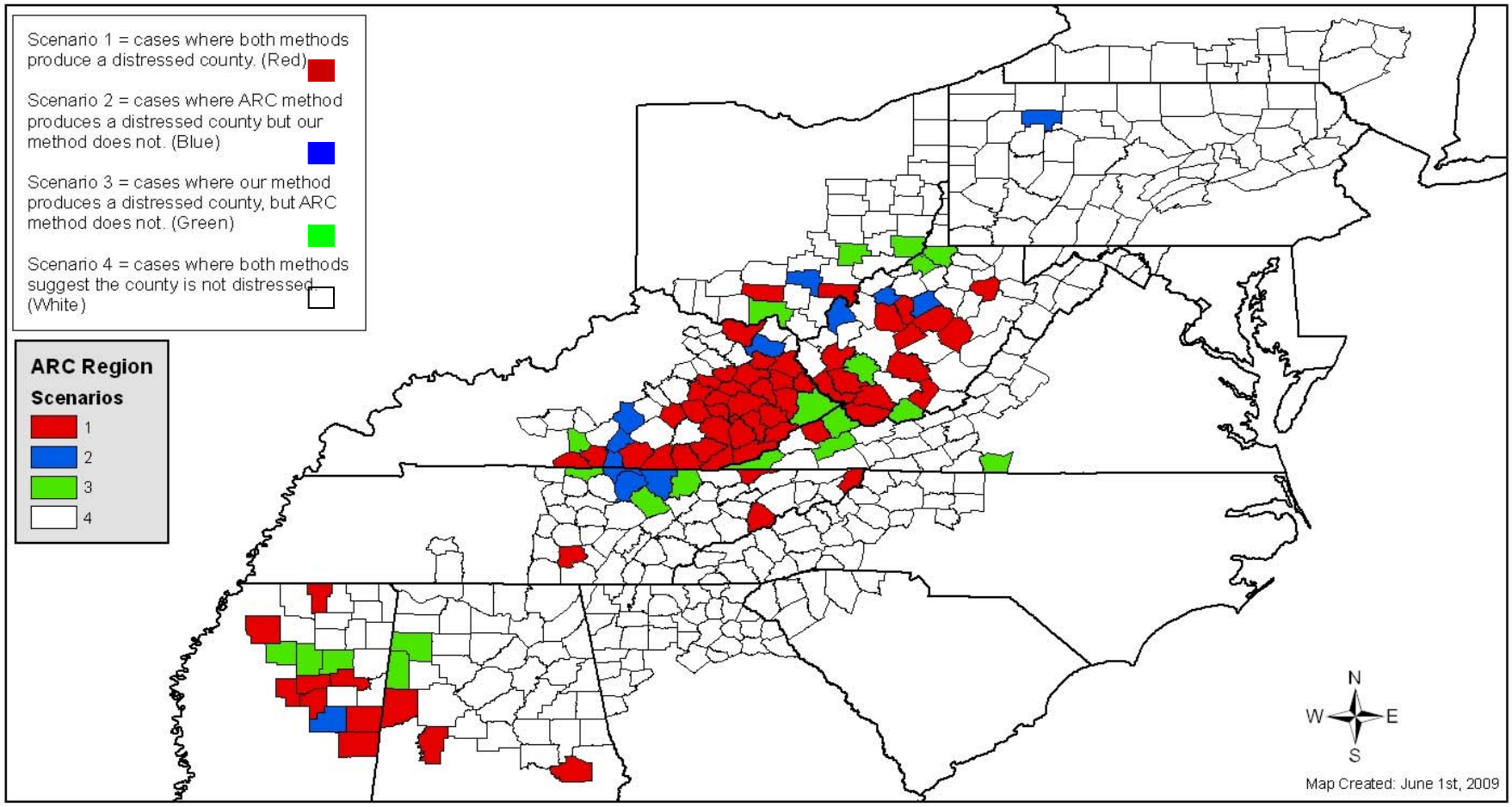

Figure 4.1c: County Economic Status, Candidate Index 1: Population Growth, Employment/Population Rate, Four-Year College Attainment, Poverty Rate

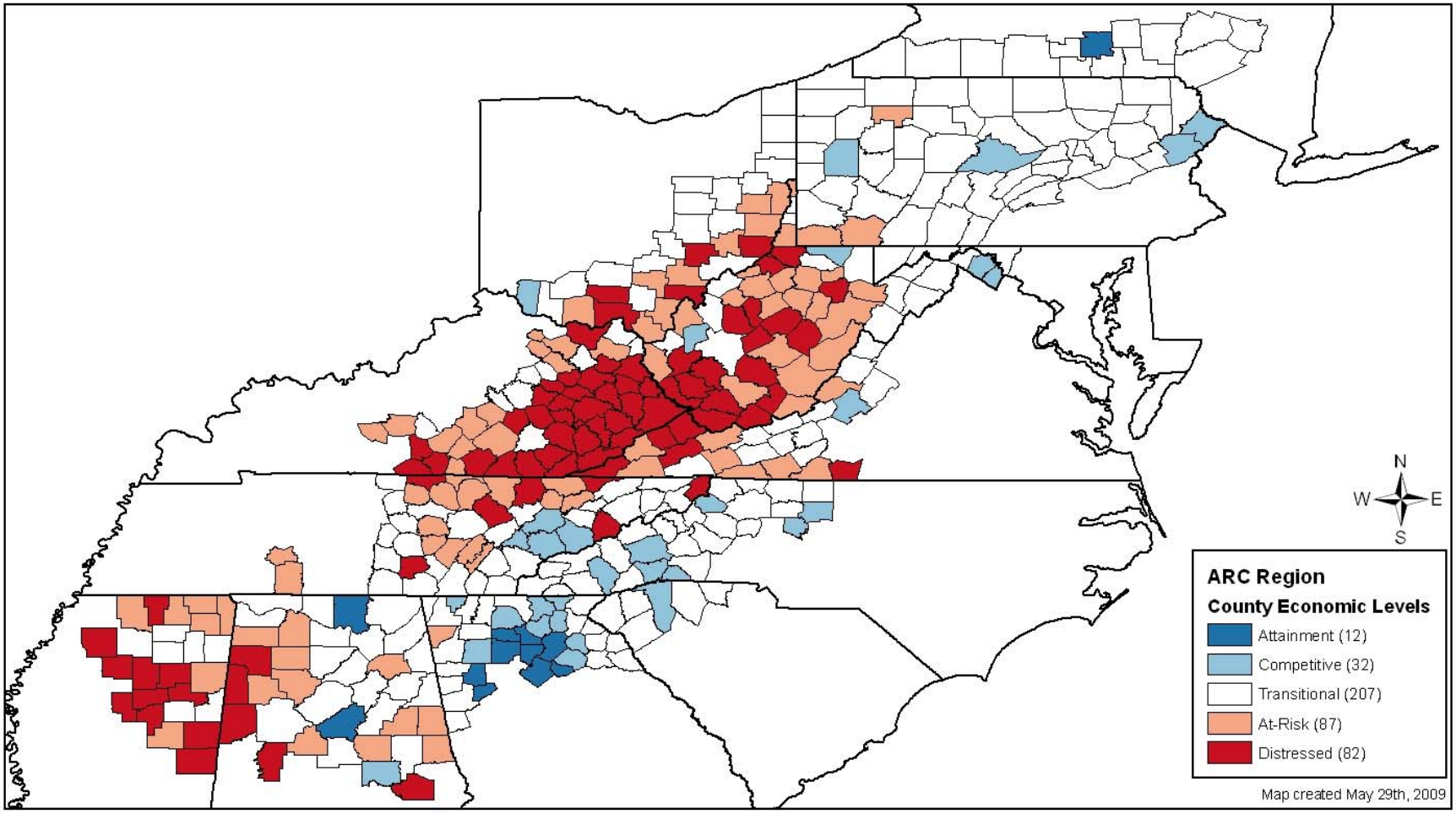

Figure 4.2a: Candidate Index 2: Population Growth, Employment/Population Rate, Four-Year College Attainment, Poverty Rate, Per-Capita Market Income

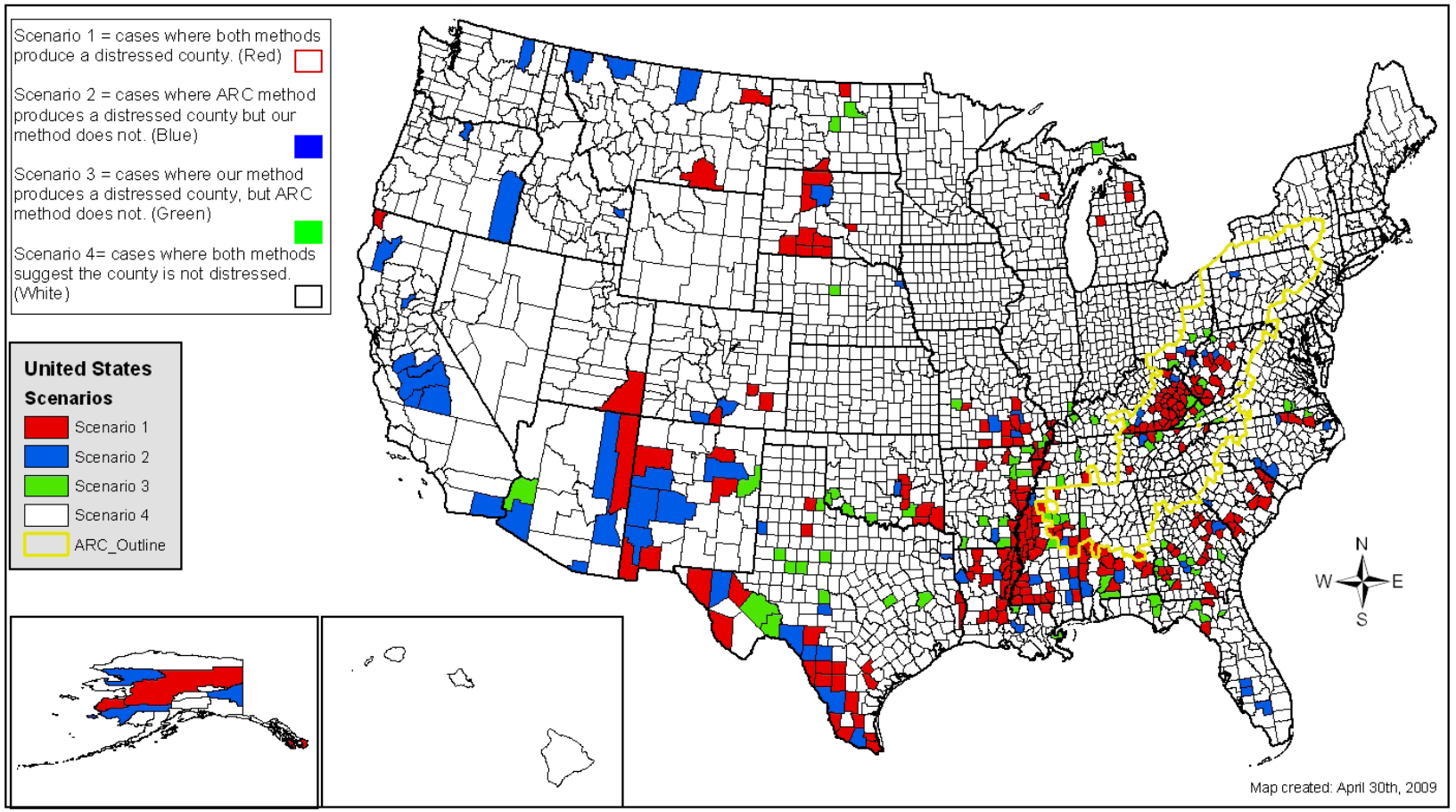

Figure 4.2b: Candidate Index 2: Population Growth, Employment/Population Rate, Four-Year College Attainment, Poverty Rate, Per-Capita Market Income

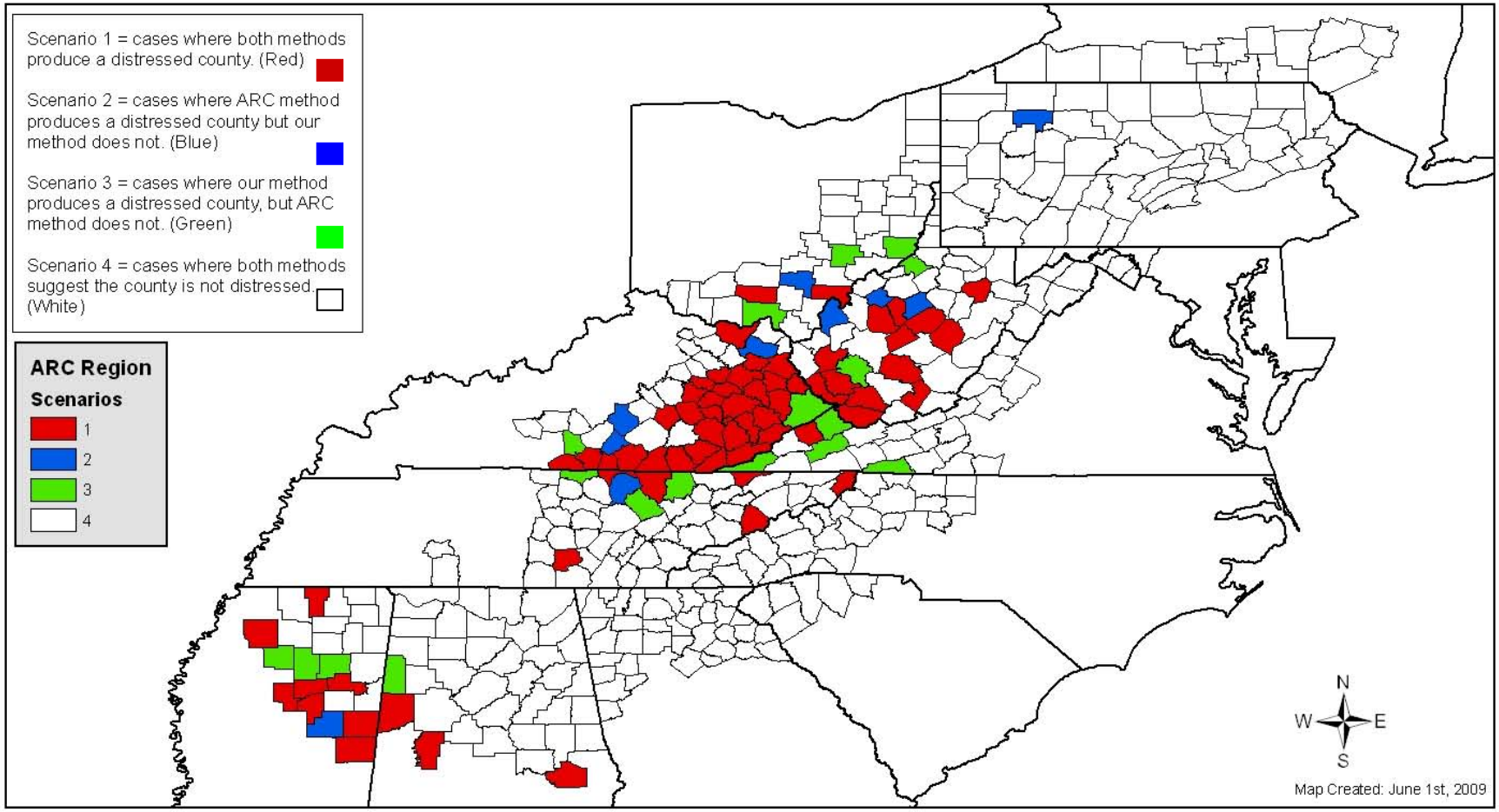

Figure 4.2c: County Economic Status, Candidate Index 2: Population Growth, Employment/Population Rate, Four-Year College Attainment, Poverty Rate, Per-Capita Market Income

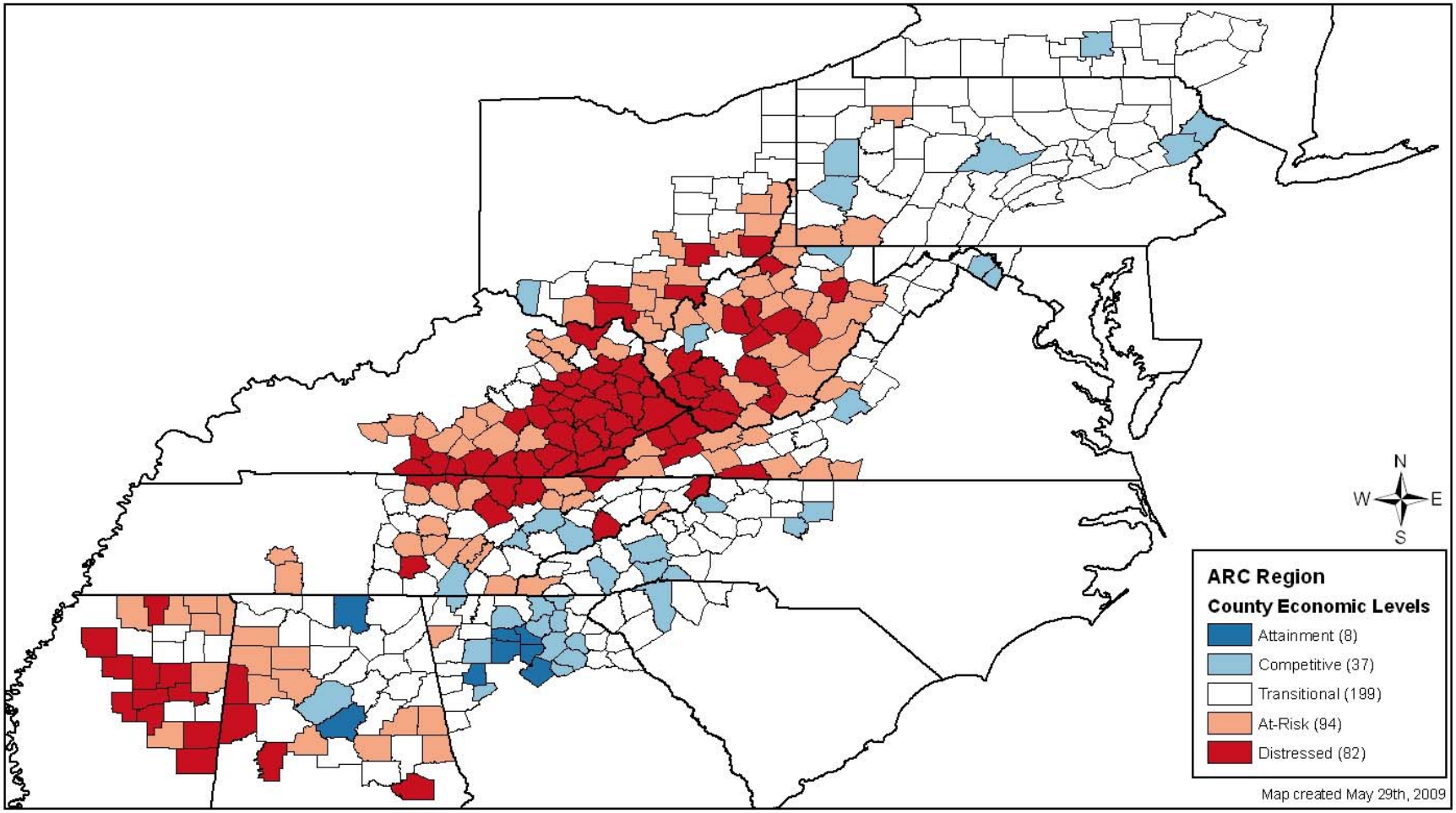

Figure 4.3a: Candidate Index 3: Population Growth, Employment/Population Rate, Four-Year College Attainment, Per-Capita Market Income

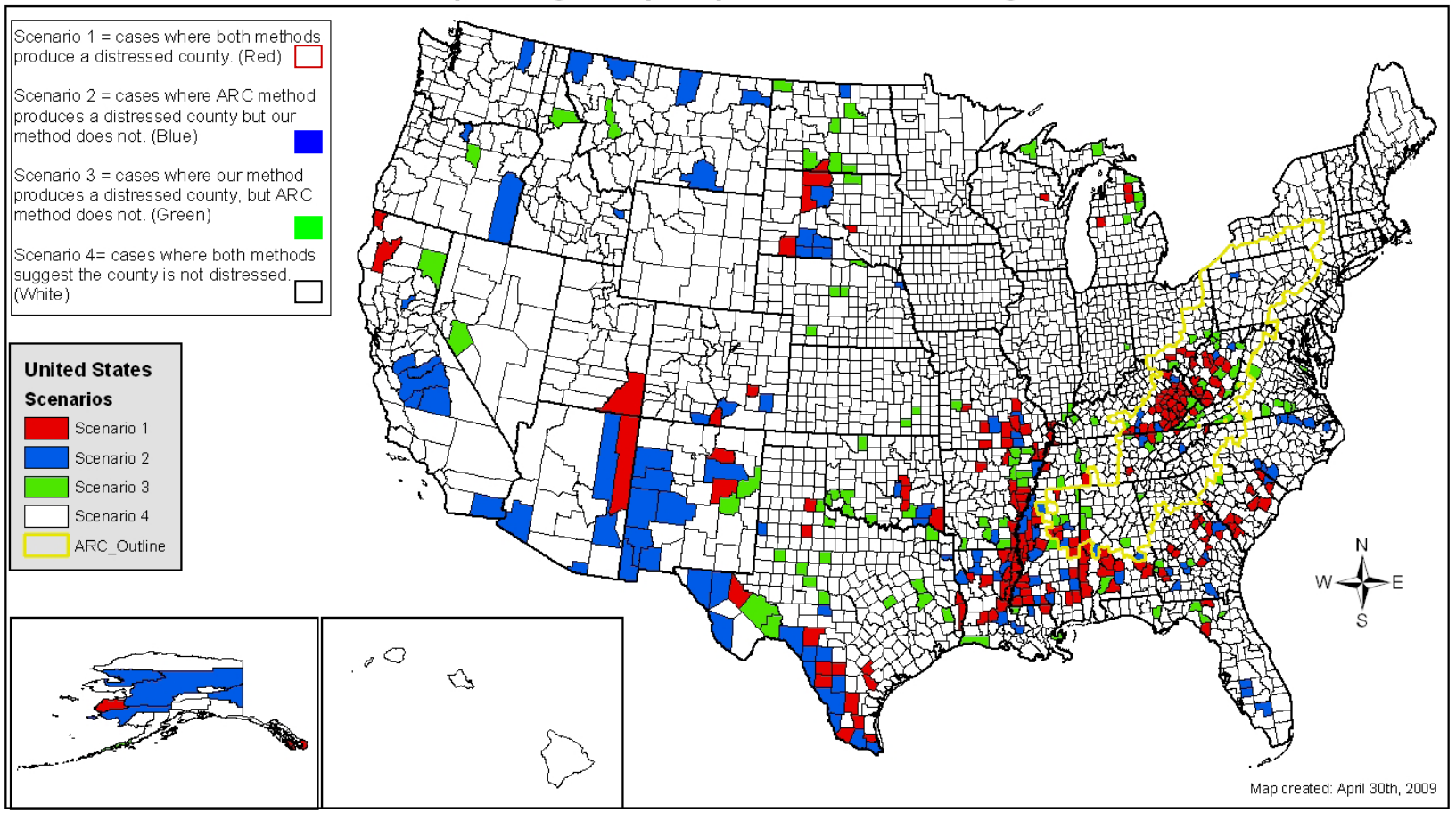

Figure 4.3b: Candidate Index 3: Population Growth, Employment/Population Rate, Four-Year College Attainment, Per-Capita Market Income

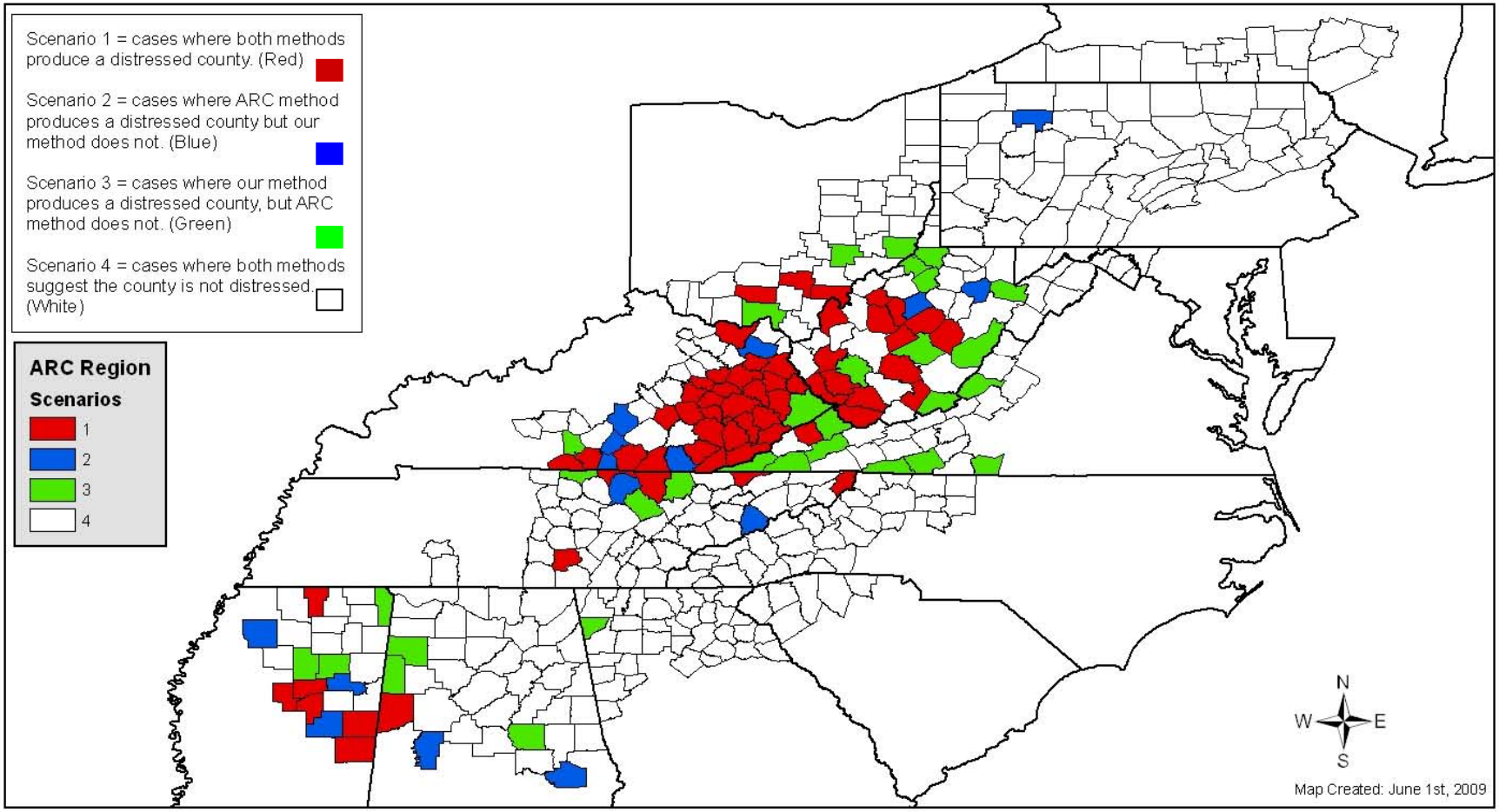

Figure 4.3c: County Economic Status, Candidate Index 3: Population Growth, Employment/Population Rate, Four-Year College Attainment, Per-Capita Market Income

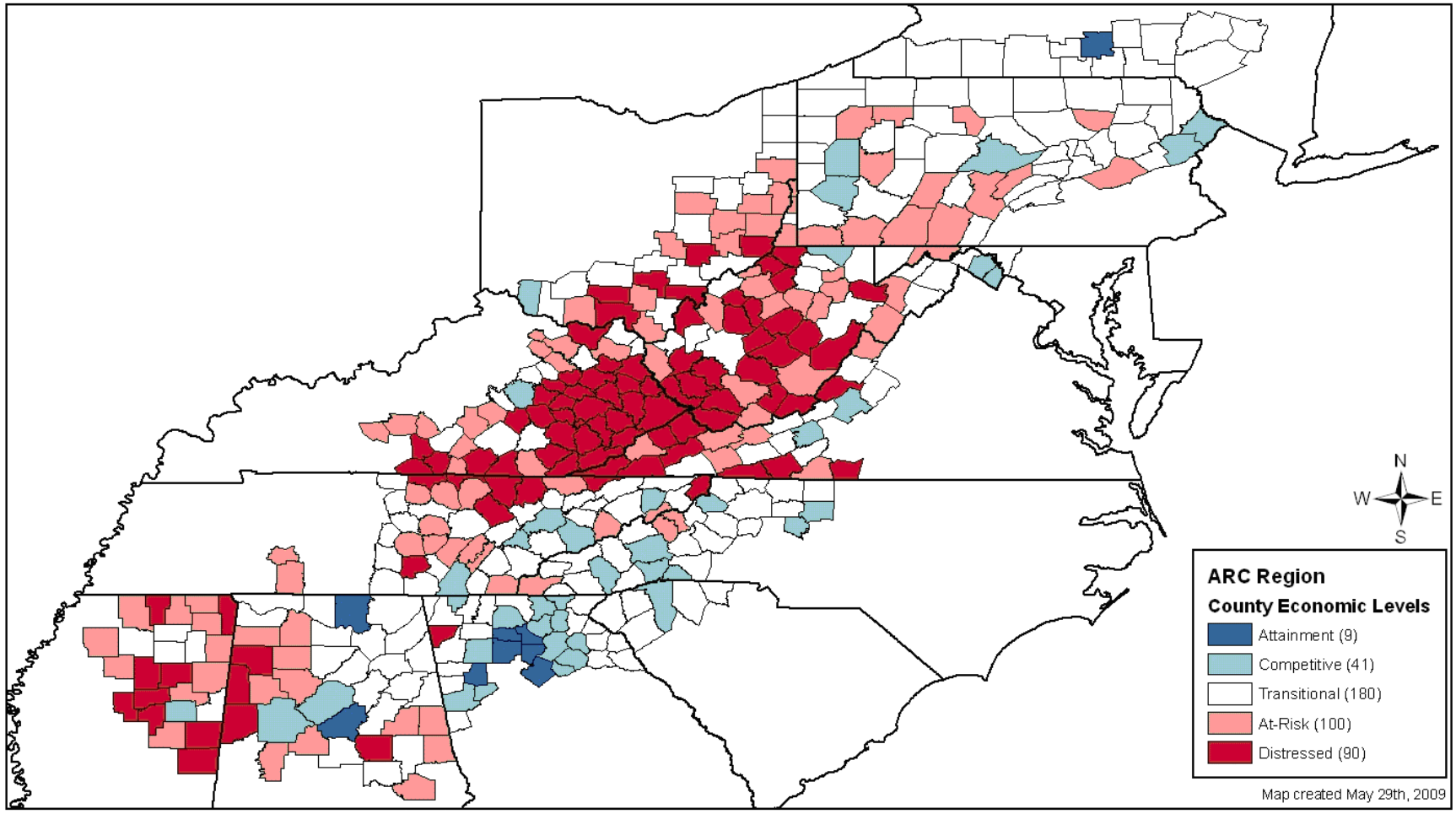

Figure 4.4a: Candidate Index 4: Population Growth, Employment/Population Rate, One-Year College Attainment, Poverty Rate, Per-Capita Market Income

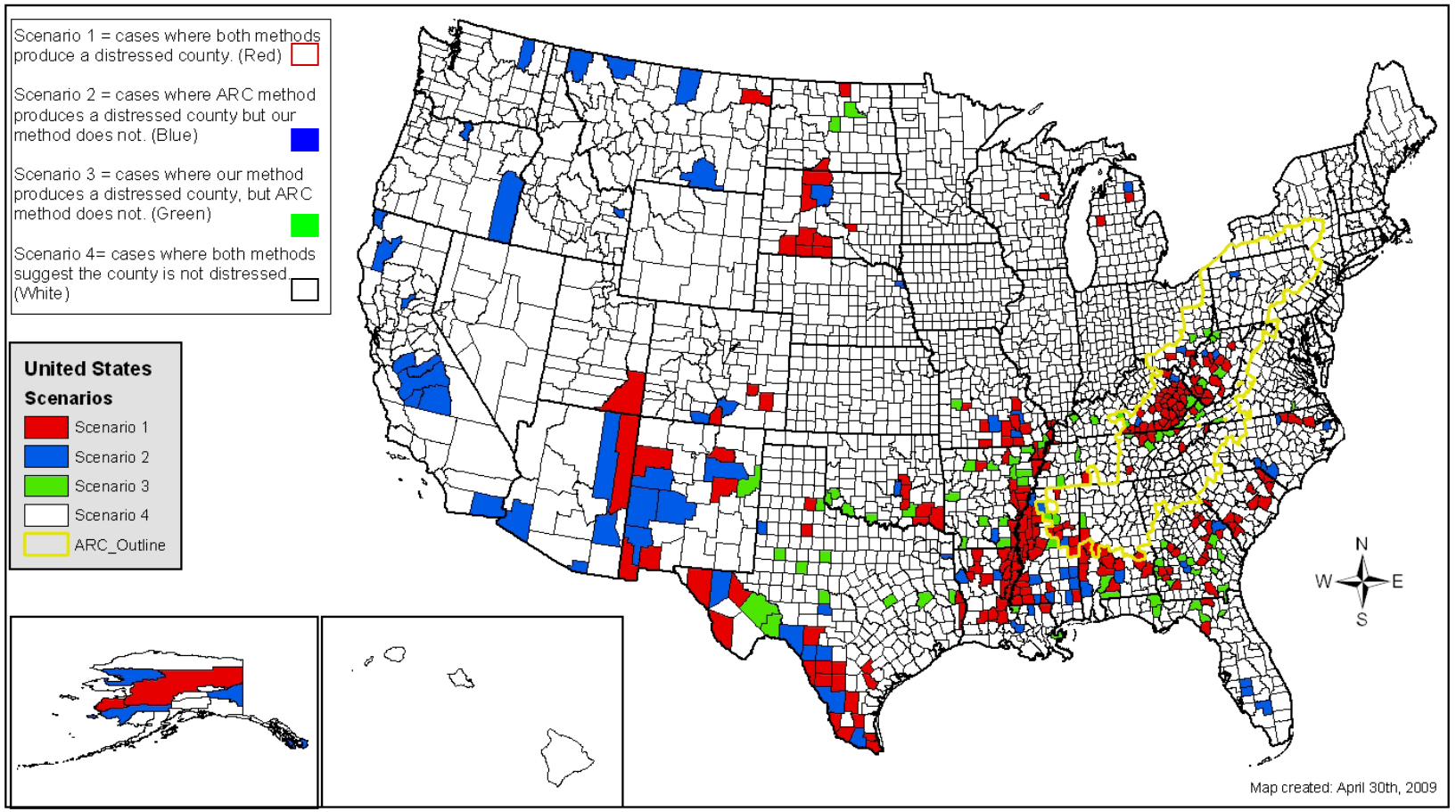

Figure 4.4b: Candidate Index 4: Population Growth, Employment/Population Rate, One-Year College Attainment, Poverty Rate, Per-Capita Market Income

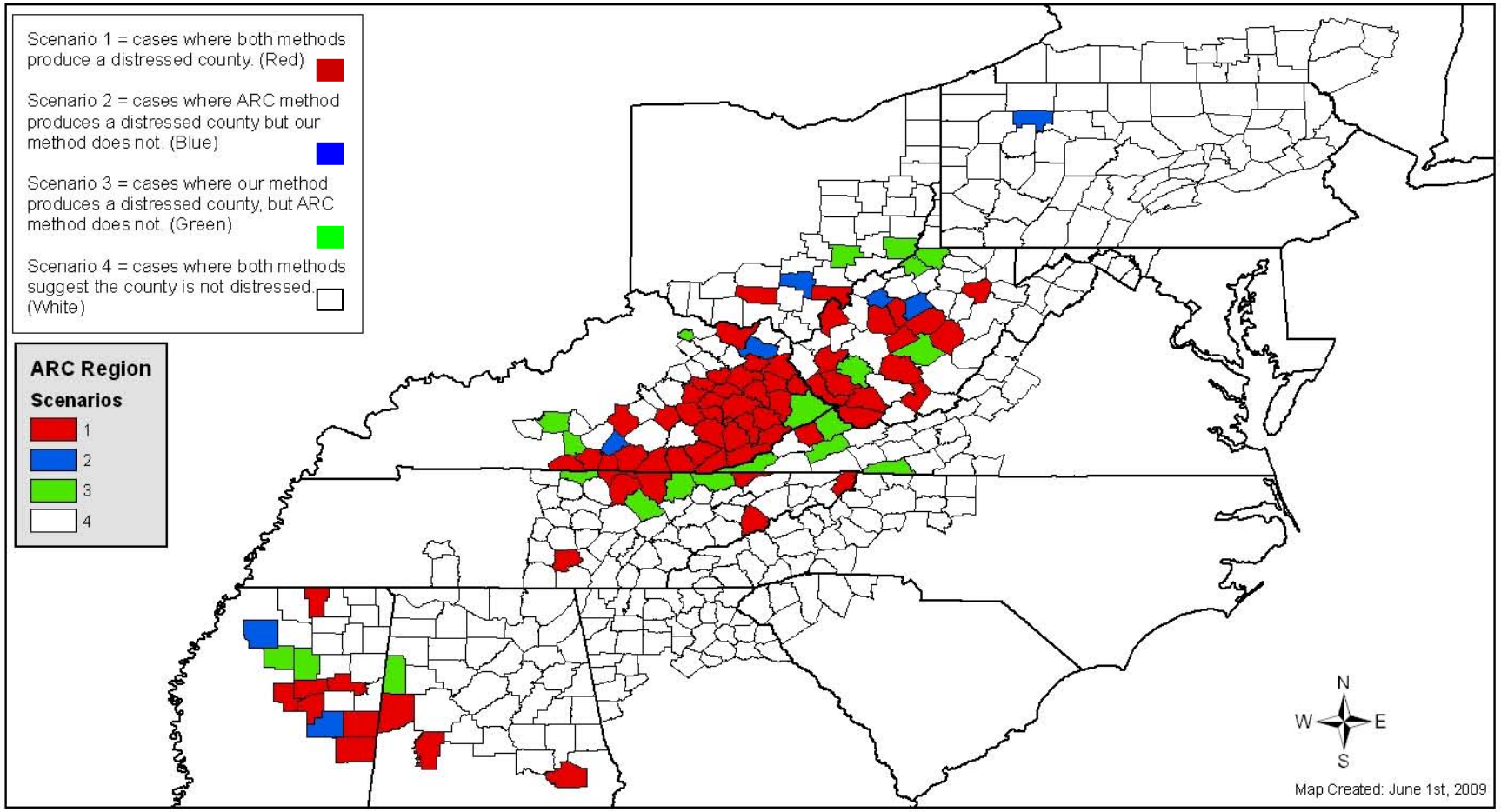

Figure 4.4c: County Economic Status, Candidate Index 4: Population Growth, Employment/Population Rate, One-Year College Attainment, Poverty Rate, Per-Capita Market Income

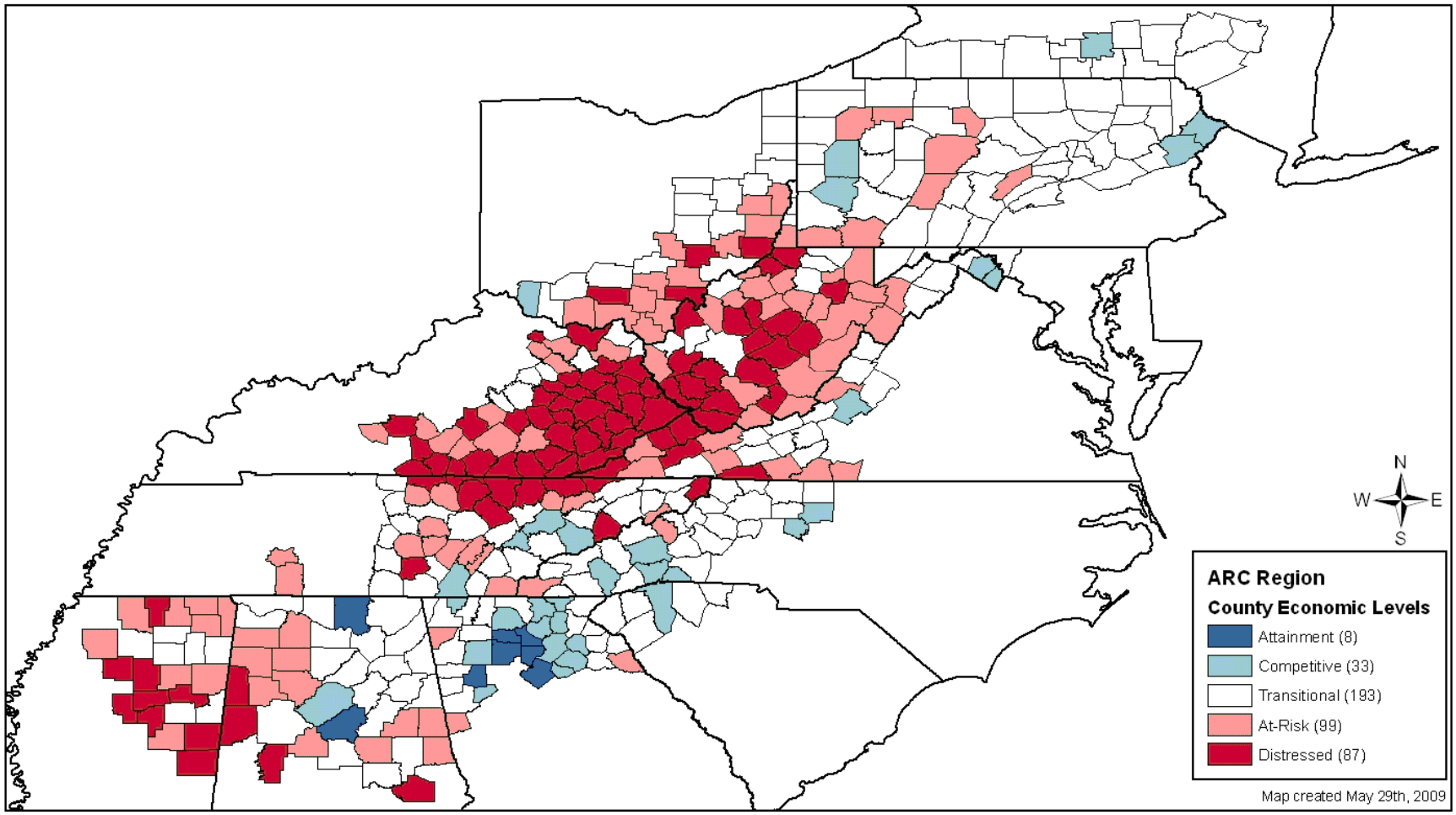

Figure 4.5a: Candidate Index 5: Population Growth, Employment/Population Rate, One-Year College Attainment, Poverty Rate

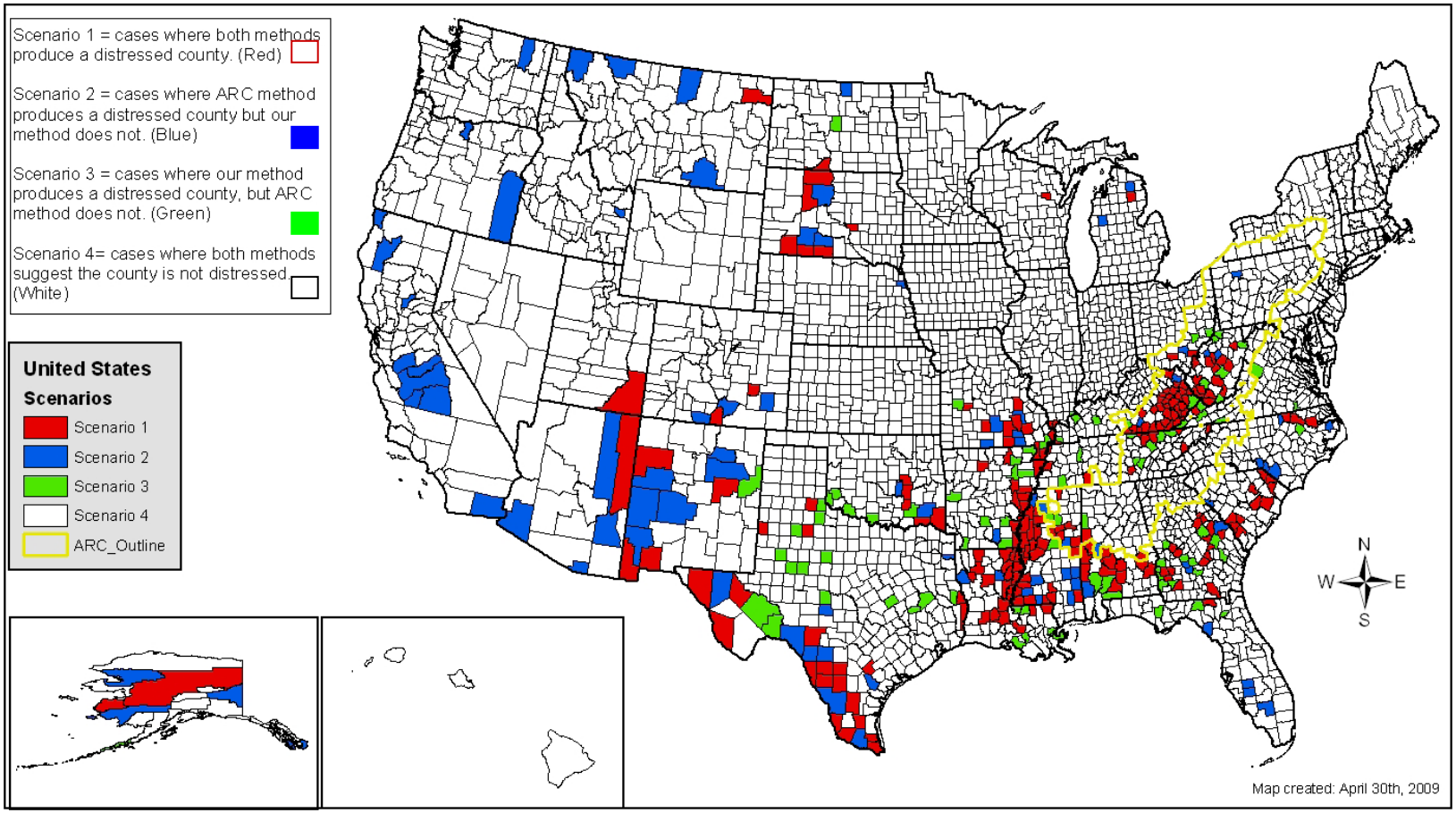

Figure 4.5b: Candidate Index 5: Population Growth, Employment/Population Rate, One-Year College Attainment, Poverty Rate

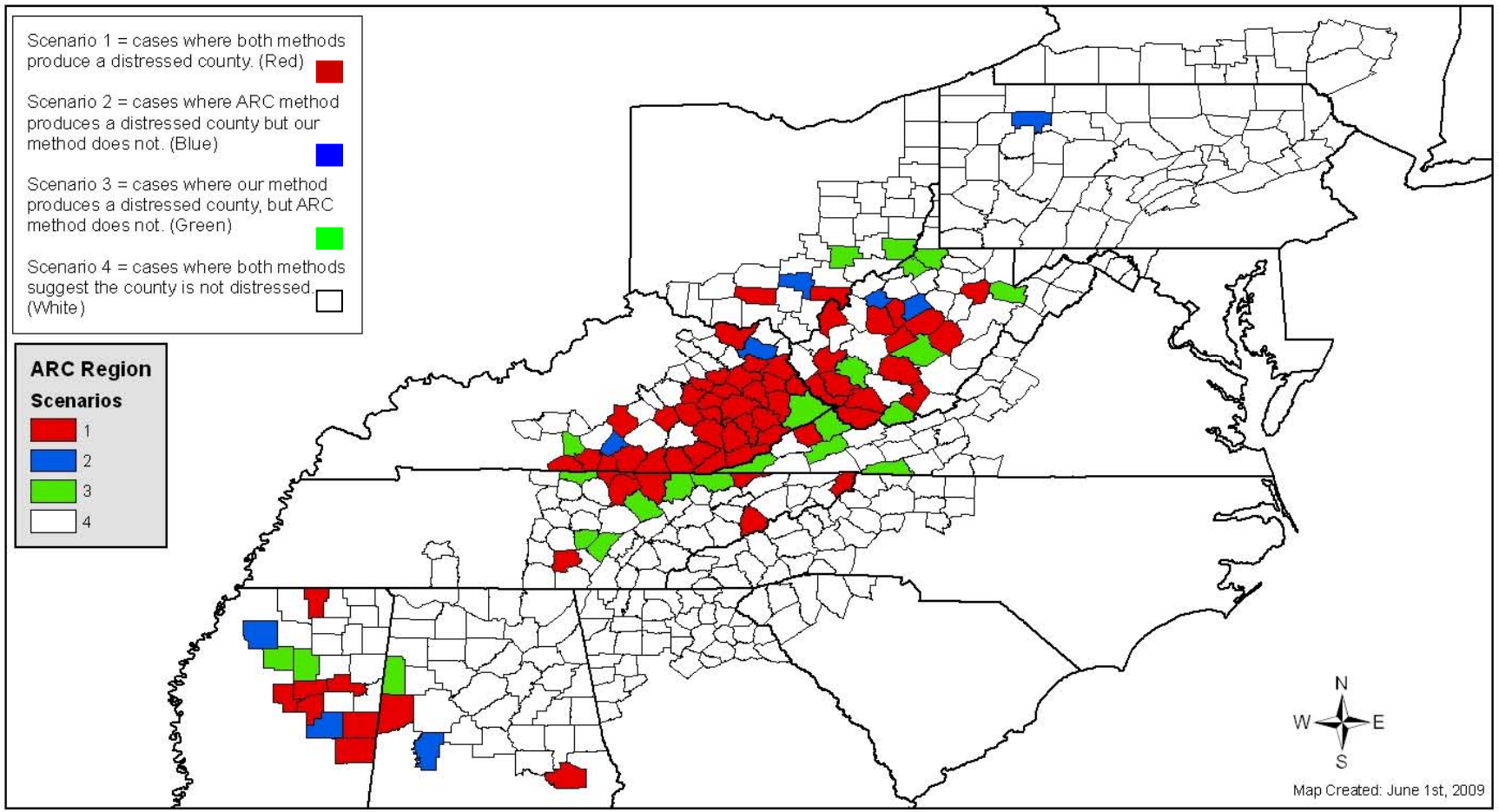

Figure 4.5c: County Economic Status, Candidate Index 5: Population Growth, Employment/Population Rate, One-Year College Attainment, Poverty Rate

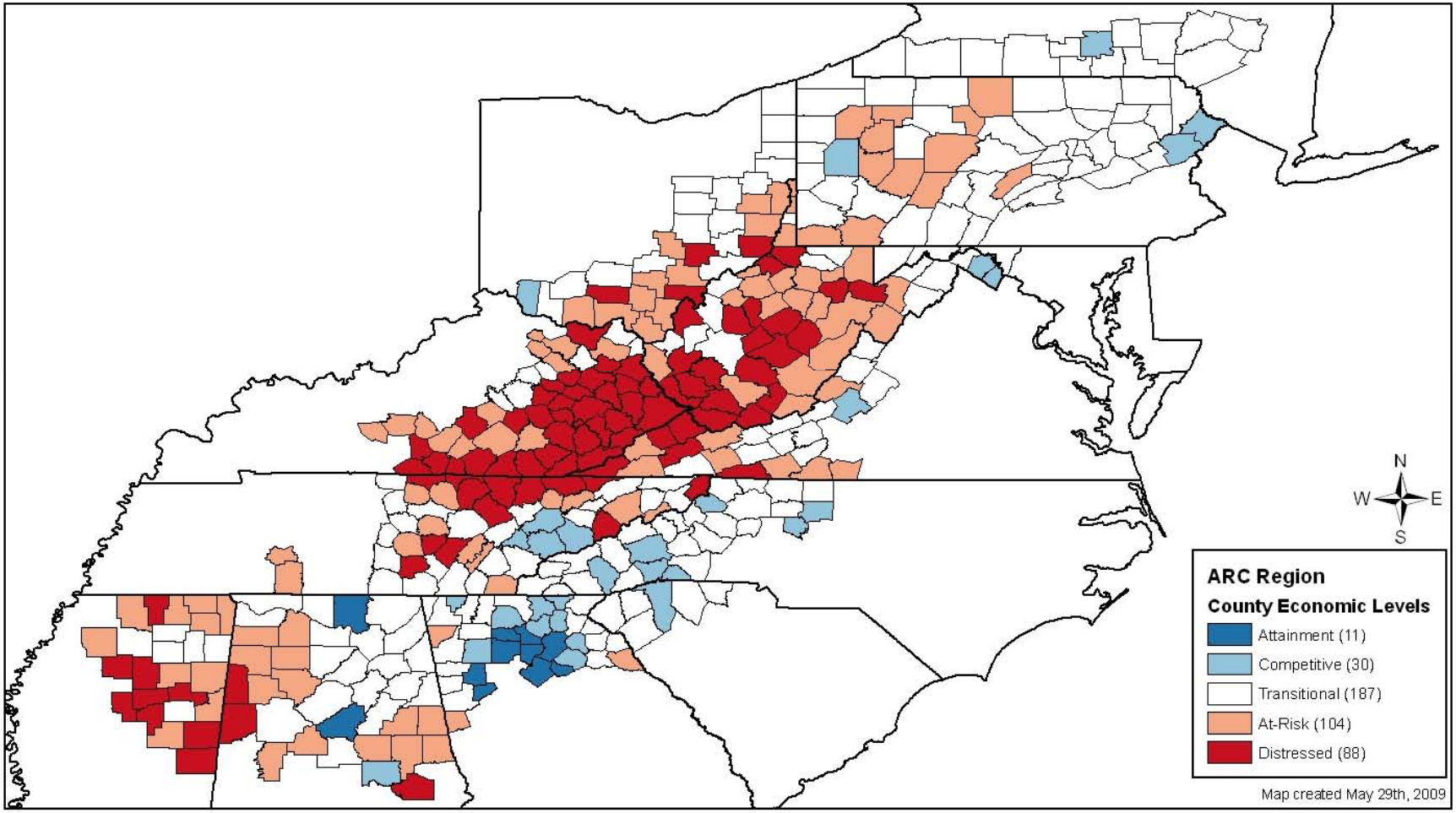

Figure 4.6a: Candidate Index 6: Population Growth, Employment/Population Rate, One-Year College Attainment, Per-Capita Market Income

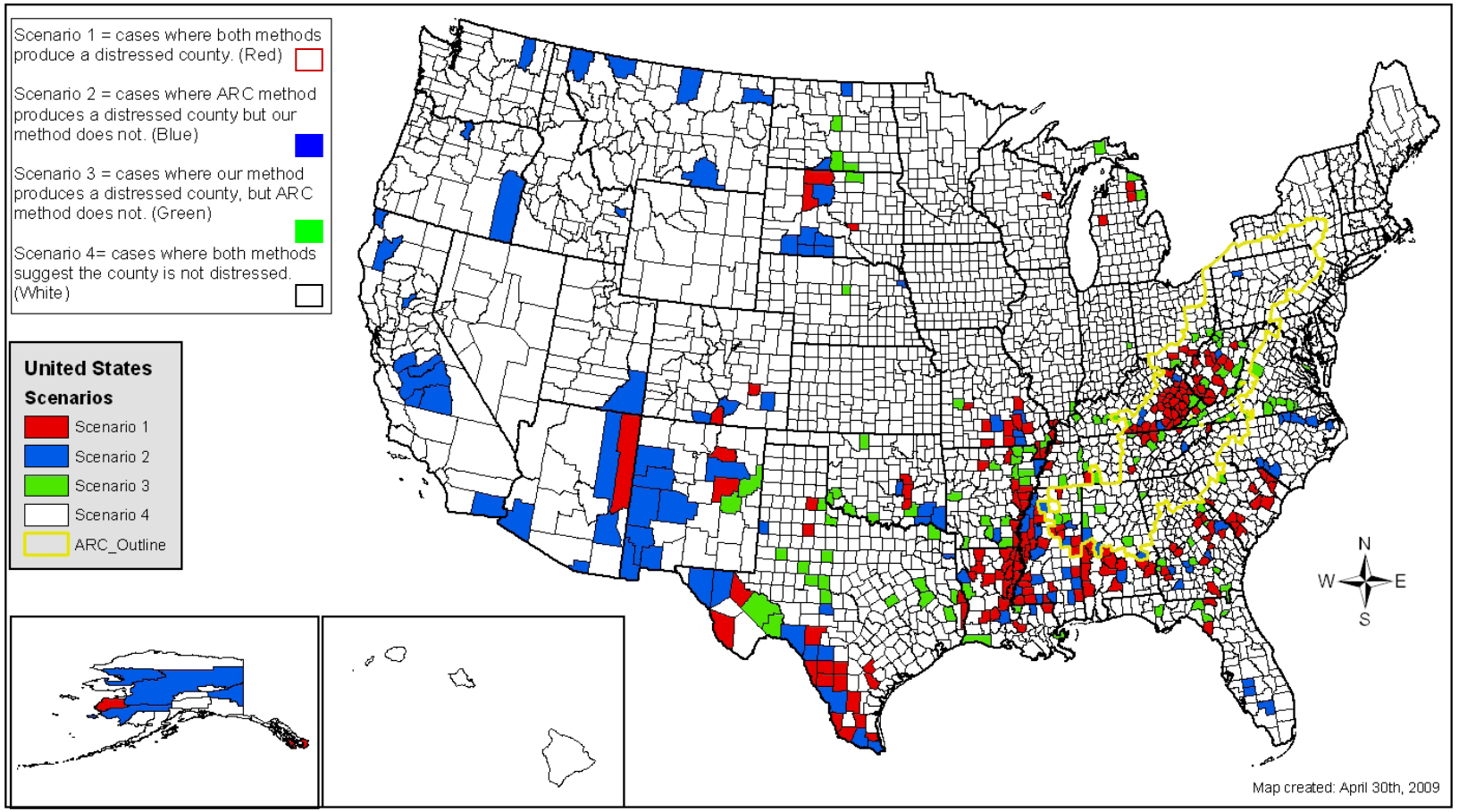

Figure 4.6b: Candidate Index 6: Population Growth, Employment/Population Rate, One-Year College Attainment, Per-Capita Market Income

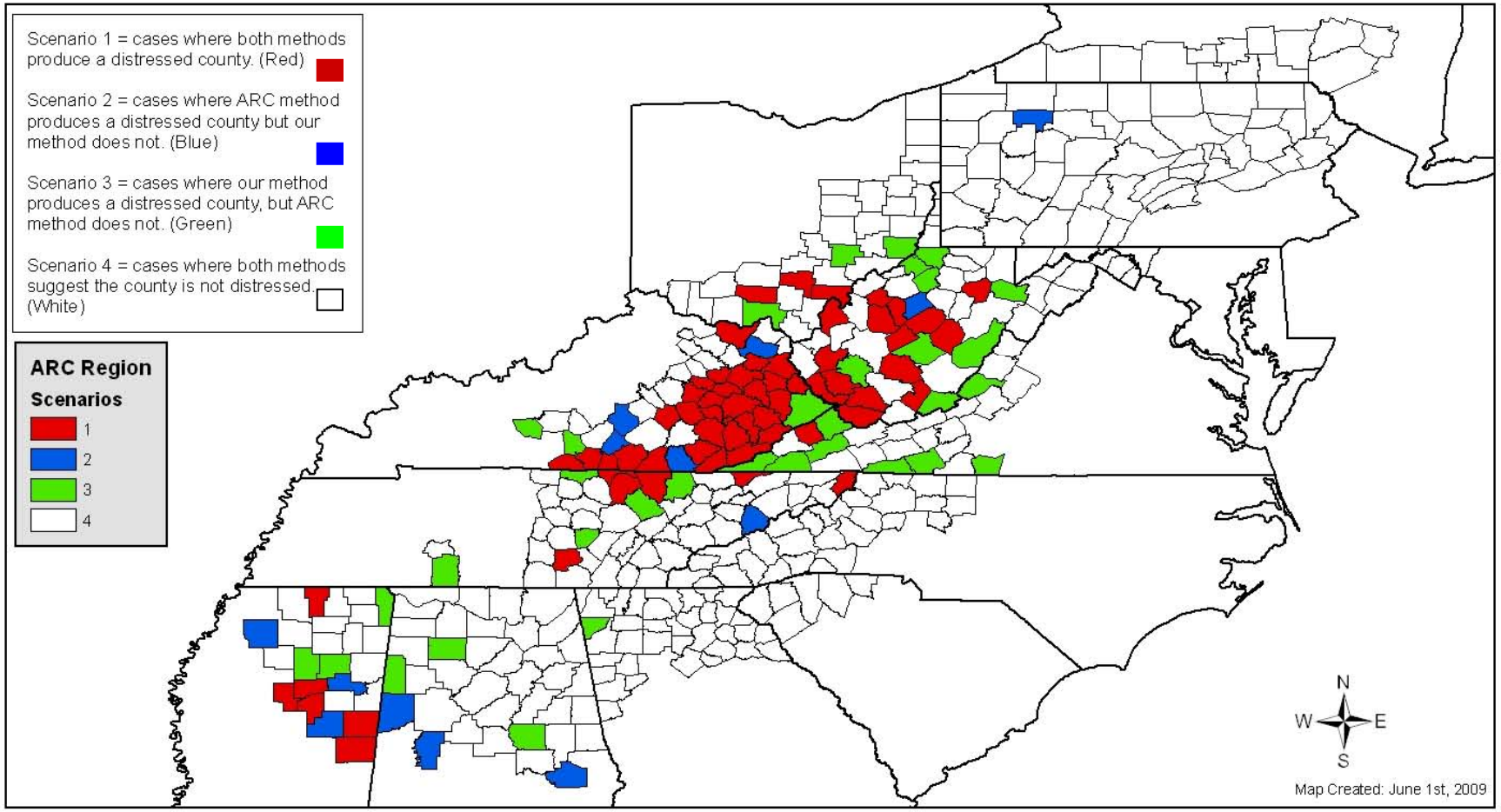

Figure 4.6c: County Economic Status, Candidate Index 6: Population Growth, Employment/Population Rate, One-Year College Attainment, Per-Capita Market Income

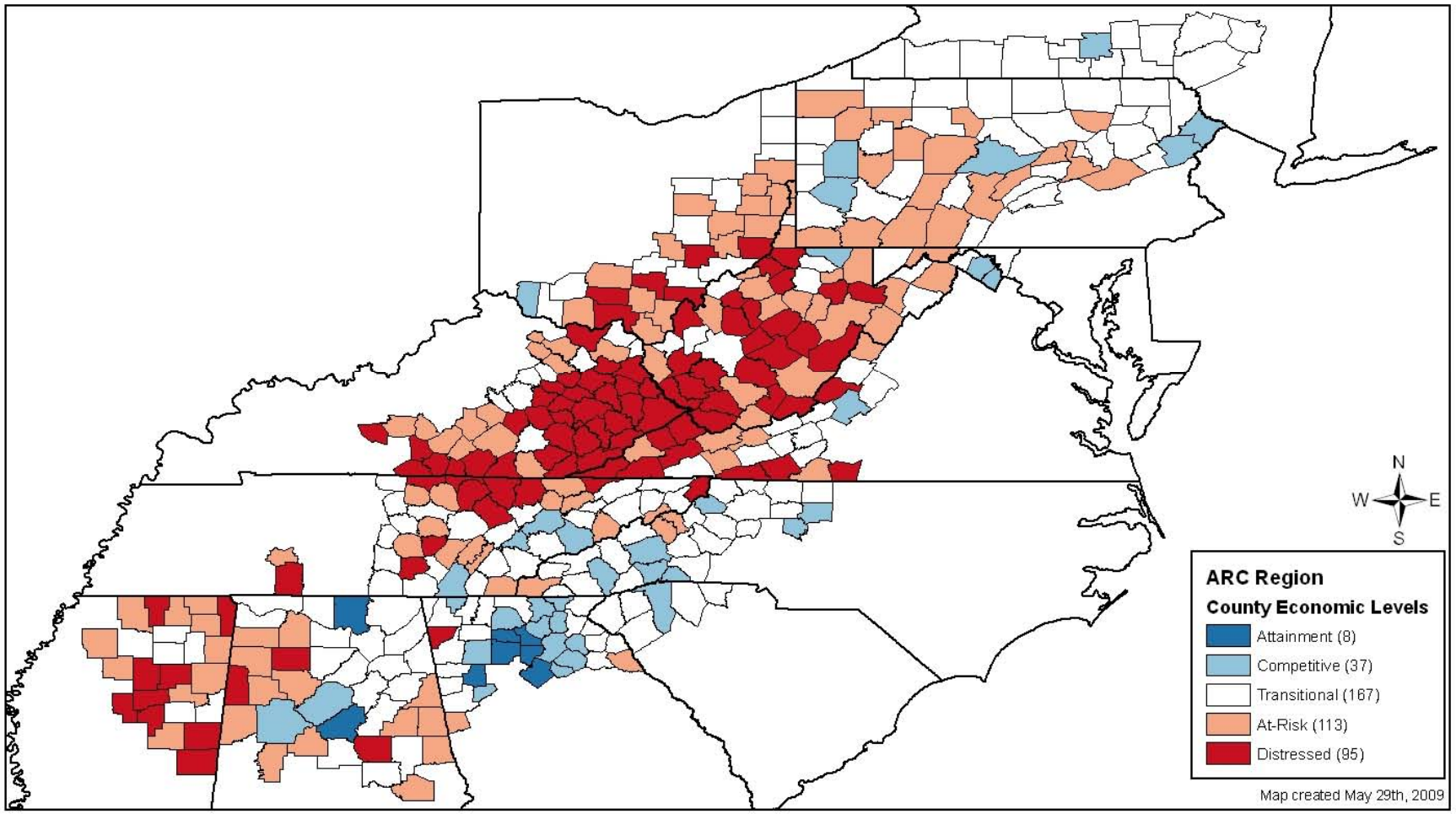

Figure 4.7: Weighted Version of Candidate Index 1: Population Growth (weighted by a multiple of 4), Employment/Population Rate, Four-Year College Attainment, Poverty Rate

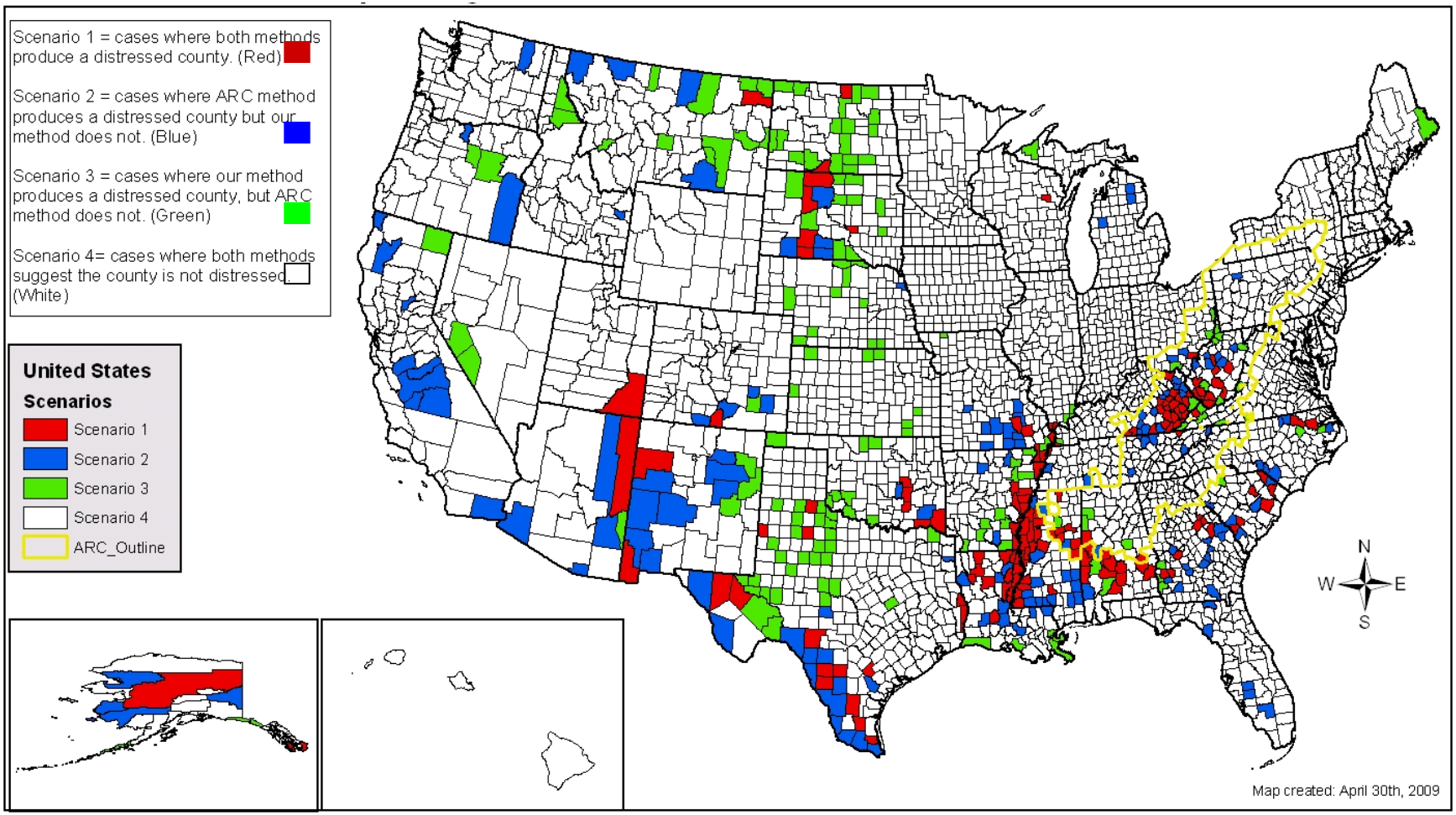

Table 4.0: Change in County Economic Distress Status When Switching from Current FY2007 ARC Index to Proposed Indexes

	Candidate Index 1		**Candidate Index 2**		**Candidate Index 3**	
	Population Growth, Employment/ Population Rate, Four-Year College Attainment, Poverty Rate		Population Growth, Employment/Population Rate, Four-Year College Attainment, Poverty Rate, Per-Capita Market Income		Population Growth, Employment/Population Rate, Four-Year College Attainment, Per-Capita Market Income	
	Distressed using ARC method but not ours	Distressed using our method but not ARC	Distressed using ARC method but not ours	Distressed using our method but not ARC	Distressed using ARC method but not ours	Distressed using our method but not ARC
	13	21	10	18	15	31
Total counties that change distress status	34		28		46	
Net counties moving into distress	8		8		16	
	Candidate Index 4		**Candidate Index 5**		**Candidate Index 6**	
	Population Growth, Employment/Population Rate, One-Year College Attainment, Poverty Rate, Per-capita Market Income		Population Growth, Employment/Population Rate, One-Year College Attainment, Poverty Rate		Population Growth, Employment/Population Rate, One-Year College Attainment, Per-capita Market Income	
	Distressed using ARC method but not ours	Distressed using our method but not ARC	Distressed using ARC method but not ours	Distressed using our method but not ARC	Distressed using ARC method but not ours	Distressed using our method but not ARC
	8	21	9	23	13	34
Total counties that change distress status	29		32		47	
Net counties moving into distress	13		14		21	

Notes: In FY 2007, there were four ARC counties "grandfathered" as distressed even though they were ranked as "at risk" using the ranking process. These results do not classify these four "grandfathered" counties as distressed to be comparable with our Candidate Index. In FY2007 the ARC region included 410 counties. However, for comparable geography, the ARC Index shown in the table classifies the 420 counties that currently comprise the region.

***Table 4.1*:** Number of Counties in Each Economic Status Category by State Using the Current FY2007ARC Index vs. 2007 Candidate Index 1 (Population Growth, Employment/Population Rate, Four-Year College Attainment, Poverty Rate)

States	Distressed		At-risk		Transitional		Competitive		Attainment		Total
	ARC	Population growth 96-06, Employment/population ratio 07, Percent of adults with a four-year college degree 00, Poverty Rate 07	ARC	Population growth 96-06, Employment/population ratio 07, Percent of adults with a four-year college degree 00, Poverty Rate 07	ARC	Population growth 96-06, Employment/population ratio 07, Percent of adults with a four-year college degree 00, Poverty Rate 07	ARC	Population growth 96-06, Employment/population ratio 07, Percent of adults with a four-year college degree 00, Poverty Rate 07	ARC	Population growth 96-06, Employment/population ratio 07, Percent of adults with a four-year college degree 00, Poverty Rate 07	
Alabama	3	5	9	11	23	18	1	1	1	2	37
Georgia	0	0	0	1	26	18	6	9	5	9	37
Kentucky	34	32	13	13	7	9	0	0	0	0	54
Maryland	0	0	0	0	2	3	1	0	0	0	3
Mississippi	9	11	11	7	4	6	0	0	0	0	24
New York	0	0	0	0	14	13	0	0	0	1	14
North Carolina	0	0	7	0	18	22	4	7	0	0	29
Ohio	3	5	10	9	18	17	1	1	0	0	32
Pennsylvania	1	0	1	3	45	45	5	4	0	0	52
South Carolina	0	0	1	0	4	5	1	1	0	0	6
Tennessee	7	7	14	15	27	26	4	4	0	0	52
Virginia	1	5	6	8	16	11	1	1	1	0	25
West Virginia	16	17	16	20	21	14	2	4	0	0	55
Total	**74**	**82**	**88**	**87**	**225**	**207**	**26**	**32**	**7**	**12**	**420**

Notes: In FY 2007, there were four ARC counties "grandfathered" as distressed even though they were ranked as "at risk" using the ranking process. These results do not classify these four "grandfathered" counties as distressed to be comparable with our Candidate Index. In FY2007, the ARC region included 410 counties. However, for comparable geography, the ARC index shown in the table classifies the 420 counties that currently comprise the region.

Table 4.2: Number of Counties in Each Economic Status Category by State Using the Current FY2007ARC Index vs. 2007 Candidate Index 2 (Population Growth, Employment/Population Rate, Four-Year College Attainment, Poverty Rate, Per-Capita Market Income)

States	Distressed		At-risk		Transitional		Competitive		Attainment		Total
	ARC	Population growth 96-06, Employment/population ratio 07, Percent of adults with a four-year college degree 00, Poverty Rate 07, Per-capita market income 06	ARC	Population growth 96-06, Employment/population ratio 07, Percent of adults with a four-year college degree 00, Poverty rate 07, Per-capita market income 06	ARC	Population growth 96-06, Employment/population ratio 07, Percent of adults with a four-year college degree 00, Poverty rate 07, Per-capita market income 06	ARC	Population growth 96-06, Employment/population ratio 07, Percent of adults with a four-year college degree 00, Poverty rate 07, Per-capita market income 06	ARC	Population growth 96-06, Employment/population ratio 07, Percent of adults with a four-year college degree 00, Poverty rate 07, Per-capita market income 06	
Alabama	3	4	9	10	23	20	1	1	1	2	37
Georgia	0	0	0	1	26	18	6	12	5	6	37
Kentucky	34	33	13	14	7	7	0	0	0	0	54
Maryland	0	0	0	0	2	3	1	0	0	0	3
Mississippi	9	11	11	7	4	6	0	0	0	0	24
New York	0	0	0	0	14	13	0	1	0	0	14
North Carolina	0	0	7	1	18	21	4	7	0	0	29
Ohio	3	5	10	11	18	15	1	1	0	0	32
Pennsylvania	1	0	1	3	45	44	5	5	0	0	52
South Carolina	0	0	1	0	4	5	1	1	0	0	6
Tennessee	7	9	14	16	27	23	4	4	0	0	52
Virginia	1	5	6	9	16	10	1	1	1	0	25
West Virginia	16	15	16	22	21	14	2	4	0	0	55
Total	**74**	**82**	**88**	**94**	**225**	**199**	**26**	**37**	**7**	**8**	**420**

Notes: In FY 2007, there were four ARC counties "grandfathered" as distressed even though they were ranked as "at risk" using the ranking process. These results do not classify these four "grandfathered" counties as distressed to be comparable with our Candidate Index. In FY2007, the ARC region included 410 counties. However, for comparable geography, the ARC index shown in the table classifies the 420 counties that currently comprise the region.

Table 4.3: Number of Counties in Each Economic Status Category by State Using the Current FY2007ARC Index vs. 2007 Candidate Index 3 (Population Growth, Employ./Pop. Rate, Four-Year College Attainment, Per-Capita Market Income)

States	Distressed		At-risk		Transitional		Competitive		Attainment		Total
	ARC	Population growth 96-06, Employment/population ratio 07, Percent of adults with a four-year college degree 00, Per-capita market income 06	ARC	Population growth 96-06, Employment/population ratio 07, Percent of adults with a four-year college degree 00, Per-capita market income 06	ARC	Population growth 96-06, Employment/population ratio 07, Percent of adults with a four-year college degree 00, Per-capita market income 06	ARC	Population growth 96-06, Employment/population ratio 07, Percent of adults with a four-year college degree 00, Per-capita market income 06	ARC	Population growth 96-06, Employment/population ratio 07, Percent of adults with a four-year college degree 00, Per-capita market income 06	
Alabama	3	4	9	11	23	18	1	2	1	2	37
Georgia	0	1	0	0	26	17	6	13	5	6	37
Kentucky	34	31	13	13	7	9	0	1	0	0	54
Maryland	0	0	0	1	2	2	1	0	0	0	3
Mississippi	9	9	11	10	4	4	0	1	0	0	24
New York	0	0	0	0	14	13	0	0	0	1	14
North Carolina	0	0	7	3	18	19	4	7	0	0	29
Ohio	3	6	10	11	18	14	1	1	0	0	32
Pennsylvania	1	0	1	13	45	34	5	5	0	0	52
South Carolina	0	0	1	0	4	5	1	1	0	0	6
Tennessee	7	8	14	15	27	24	4	5	0	0	52
Virginia	1	9	6	6	16	8	1	2	1	0	25
West Virginia	16	22	16	17	21	13	2	3	0	0	55
Total	**74**	**90**	**88**	**100**	**225**	**180**	**26**	**41**	**7**	**9**	**420**

Notes: In FY 2007, there were four ARC counties "grandfathered" as distressed even though they were ranked as "at risk" using the ranking process. These results do not classify these four "grandfathered" counties as distressed to be comparable with our Candidate Index. In FY2007, the ARC region included 410 counties. However, for comparable geography, the ARC index shown in the table classifies the 420 counties that currently comprise the region.

Table 4.4: Number of Counties in Each Economic Status Category by State Using the Current FY2007 ARC Index vs. 2007 Candidate Index 4 (Population Growth, Employment/Pop. Rate, One Year College Attainment, Poverty Rate, Per-capita Market Income)

	Distressed		**At-risk**		**Transitional**		**Competitive**		**Attainment**		
States	ARC	Population growth 96-06, Employment/population ratio 07, Percent of adults with at least one year of college education 00, Poverty Rate 07, Per-capita market income 06	ARC	Population growth 96-06, Employment/population ratio 07, Percent of adults with at least one year of college education 00, Poverty Rate 07, Per-capita market income 06	ARC	Population growth 96-06, Employment/population ratio 07, Percent of adults with at least one year of college education 00, Poverty Rate 07, Per-capita market income 06	ARC	Population growth 96-06, Employment/population ratio 07, Percent of adults with at least one year of college education 00, Poverty Rate 07, Per-capita market income 06	ARC	Population growth 96-06, Employment/population ratio 07, Percent of adults with at least one year of college education 00, Poverty Rate 07, Per-capita market income 06	**Total**
Alabama	3	4	9	11	23	19	1	1	1	2	37
Georgia	0	0	0	3	26	16	6	12	5	6	37
Kentucky	34	36	13	11	7	7	0	0	0	0	54
Maryland	0	0	0	0	2	3	1	0	0	0	3
Mississippi	9	9	11	9	4	6	0	0	0	0	24
New York	0	0	0	0	14	13	0	1	0	0	14
North Carolina	0	0	7	2	18	21	4	6	0	0	29
Ohio	3	4	10	12	18	15	1	1	0	0	32
Pennsylvania	1	0	1	8	45	40	5	4	0	0	52
South Carolina	0	0	1	0	4	5	1	1	0	0	6
Tennessee	7	11	14	14	27	23	4	4	0	0	52
Virginia	1	5	6	8	16	11	1	1	1	0	25
West Virginia	16	18	16	21	21	14	2	2	0	0	55
Total	**74**	**87**	**88**	**99**	**225**	**193**	**26**	**33**	**7**	**8**	**420**

Notes: In FY 2007, there were four ARC counties "grandfathered" as distressed even though they were ranked as "at risk" using the ranking process. These results do not classify these four "grandfathered" counties as distressed to be comparable with our Candidate Index. In FY2007, the ARC region included 410 counties. However, for comparable geography, the ARC index shown in the table classifies the 420 counties that currently comprise the region.

Table 4.5: Number of Counties in Each Economic Status Category by State Using the Current FY2007 ARC Index vs. 2007 Candidate Index 5 (Population Growth, Employment/Population Rate, One Year College Attainment, Poverty Rate)

States	Distressed		At-risk		Transitional		Competitive		Attainment		Total
	ARC	Population growth 96-06, Employment/population ratio 07, Percent of adults with at least one year of college education 00, Poverty Rate 07	ARC	Population growth 96-06, Employment/population ratio 07, Percent of adults with at least one year of college education 00, Poverty Rate 07	ARC	Population growth 96-06, Employment/population ratio 07, Percent of adults with at least one year of college education 00, Poverty Rate 07	ARC	Population growth 96-06, Employment/population ratio 07, Percent of adults with at least one year of college education 00, Poverty Rate 07	ARC	Population growth 96-06, Employment/population ratio 07, Percent of adults with at least one year of college education 00, Poverty Rate 07	
Alabama	3	3	9	13	23	18	1	1	1	2	37
Georgia	0	0	0	3	26	16	6	9	5	9	37
Kentucky	34	34	13	13	7	7	0	0	0	0	54
Maryland	0	0	0	0	2	3	1	0	0	0	3
Mississippi	9	9	11	10	4	5	0	0	0	0	24
New York	0	0	0	0	14	13	0	1	0	0	14
North Carolina	0	0	7	0	18	22	4	7	0	0	29
Ohio	3	4	10	11	18	16	1	1	0	0	32
Pennsylvania	1	0	1	12	45	37	5	3	0	0	52
South Carolina	0	0	1	0	4	5	1	1	0	0	6
Tennessee	7	13	14	13	27	22	4	4	0	0	52
Virginia	1	5	6	8	16	11	1	1	1	0	25
West Virginia	16	20	16	21	21	12	2	2	0	0	55
Total	**74**	**88**	**88**	**104**	**225**	**187**	**26**	**30**	**7**	**11**	**420**

Notes: In FY 2007, there were four ARC counties "grandfathered" as distressed even though they were ranked as "at risk" using the ranking process. These results do not classify these four "grandfathered" counties as distressed to be comparable with our Candidate Index. In FY2007, the ARC region included 410 counties. However, for comparable geography, the ARC index shown in the table classifies the 420 counties that currently comprise the region.

Table 4.6: Number of Counties in Each Economic Status Category by State Using the Current FY2007 ARC Index vs. 2007 Candidate Index 6 (Population Growth, Employment/Population Rate, One Year College Attainment, Per-Capita Market Income)

States	Distressed		At-risk		Transitional		Competitive		Attainment		Total
	ARC	Population growth 96-06, employment/population ratio 07, Percent of adults with at least one year of college education 00, Per-capita market income 06	ARC	Population growth 96-06, employment/population ratio 07, Percent of adults with at least one year of college education 00, Per-capita market income 06	ARC	Population growth 96-06, employment/population ratio 07, Percent of adults with at least one year of college education 00, Per-capita market income 06	ARC	Population growth 96-06, employment/population ratio 07, Percent of adults with at least one year of college education 00, Per-capita market income 06	ARC	Population growth 96-06, employment/population ratio 07, Percent of adults with at least one year of college education 00, Per-capita market income 06	
Alabama	3	3	9	13	23	17	1	2	1	2	37
Georgia	0	1	0	2	26	16	6	12	5	6	37
Kentucky	34	33	13	13	7	8	0	0	0	0	54
Maryland	0	0	0	0	2	3	1	0	0	0	3
Mississippi	9	9	11	10	4	5	0	0	0	0	24
New York	0	0	0	0	14	13	0	1	0	0	14
North Carolina	0	0	7	3	18	19	4	7	0	0	29
Ohio	3	6	10	14	18	11	1	1	0	0	32
Pennsylvania	1	0	1	18	45	29	5	5	0	0	52
South Carolina	0	0	1	0	4	5	1	1	0	0	6
Tennessee	7	11	14	14	27	23	4	4	0	0	52
Virginia	1	9	6	6	16	9	1	1	1	0	25
West Virginia	16	23	16	19	21	10	2	3	0	0	55
Total	**74**	**95**	**88**	**112**	**225**	**168**	**26**	**37**	**7**	**8**	**420**

Notes: In FY 2007, there were four ARC counties "grandfathered" as distressed even though they were ranked as "at risk" using the ranking process. These results do not classify these four "grandfathered" counties as distressed to be comparable with our Candidate Index. In FY2007, the ARC region included 410 counties. However, for comparable geography, the ARC index shown in the table classifies the 420 counties that currently comprise the region.