ARA 03- CLEARER STATUTORY DEFINITION OF THE TERM RURAL

STAFF ANALYSIS

PROPOSAL INFORMATION			
SUBMITTING COUNTY:	Marion County		
SPONSOR CONTACT:	Matt Cretul, Legislative Manager; matthew.cretul@marionfl.org; (352) 817-3139		
FAC COMMITTEE:	ARA	**CROSS-CLAIMS:**	
FAC STAFF:	Peter Abello	**DATE:**	October 19th, 2026

This staff analysis is based on the proposal as submitted and does not reflect an adopted position of the Florida Association of Counties.

POLICY PROPOSAL:

FAC supports legislation that would clarify and establish a clearer, consistent definition of "rural" that accounts for rural unincorporated communities within counties not classified as rural in their entirety, ensuring these communities remain eligible for appropriate state programs and assistance.

I. SUMMARY:

Marion County asks FAC to support a clearer, more consistent statutory definition of "rural." The definition would recognize rural unincorporated communities located in counties that do not qualify as rural as a whole. Florida law defines "rural" differently from program to program. The definition the proposal seeks to amend is in s. 288.0656(2)(e), F.S., which governs Rural Areas of Opportunity and the programs tied to it like the Rural Economic Development Initiative (REDI). That definition turns mainly on county population. It also gives small municipalities in nonrural counties a path to qualify if they have an agricultural or resource-based employment base and show economic distress.

The proposal would add a sixth category to the definition: unincorporated communities in nonrural counties. A qualifying community would be one the board of county commissioners maps by ordinance from census blocks, that lies outside any urban service area, that falls below a housing density threshold, and that carries rural future land use designations. The Marion County BoCC has voted to support the proposal.

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II. PRESENT SITUATION:

Florida has no single statutory definition of "rural"; each program applies its own test. The proposal seeks to amend the "rural community" definition in s. 288.0656(2)(e), F.S., which governs the Rural Economic Development Initiative (REDI). Under that definition, a rural community is any of the following: a county of 75,000 or fewer residents; a county of 125,000 or fewer that is contiguous to a county of 75,000 or fewer; or a municipality or special district within either kind of county. It also includes an unincorporated federal enterprise community or an incorporated rural city of 25,000 or fewer in a nonrural county, if it has an employment base focused on traditional agricultural or resource-based industries and at least three economic distress factors verified by FloridaCommerce. Finally, it includes an independent special district that provides water and wastewater services within a rural area of opportunity. Population is determined from official estimates under s. 186.901, F.S.

Rural community status under s. 288.0656, F.S., provides access to REDI coordination and to waivers or reductions of state financial match requirements under s. 288.06561, F.S. It also makes a community eligible for designation within a rural area of opportunity and for state financial assistance programs such as the Rural Infrastructure Fund. Counties and municipalities that are rural communities may also receive state grant payments under s. 215.971(1)(h), F.S.

III. EFFECT OF THE PROPOSAL:

The proposal seeks to amend s. 288.0656(2)(e), F.S., to add a sixth category of rural community: an unincorporated community in a county that is not rural under the first two categories. To qualify, the community must meet four conditions. First, it must lie entirely outside any urban service area, as defined in s. 163.3164, F.S., that the county's comprehensive plan identifies. Second, the board of county commissioners must identify the community by ordinance and adopt a boundary map made of contiguous whole census blocks from the most recent decennial census. That boundary may be amended no more than once every [10] years, except after a decennial census. Third, the area within the boundary must have fewer than [200] housing units per square mile, using decennial census housing counts and land area for those blocks. Fourth, all land within the boundary must carry a rural or comparable nonurban designation in the future land use element of the county’s comprehensive plan. Thus, a qualifying unincorporated community would become a rural community for REDI purposes, for the programs that incorporate the definition, and for possible inclusion in a rural area of opportunity.

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IV. COUNTY IMPACT:

The proposal would give counties classified as nonrural a new, optional authority, most likely to be used by larger or growing counties with rural unincorporated areas. A nonrural county could designate qualifying unincorporated communities by ordinance and adopt census-block boundary maps, making those communities eligible for REDI-linked programs, match waivers, and possible inclusion in a rural area of opportunity. A county choosing to designate would need to confirm that each area lies outside any urban service area and within a rural or comparable future land use designation and would need to keep the boundary in place for the required period, except following a decennial census. Counties should monitor rural program legislation like the rural renaissance packages; and population growth that could move counties across the population thresholds.

Protective of Home Rule: Yes.

V. FISCAL IMPACT:

- For the counties whose unincorporated communities would qualify under the amended criteria, there would be a positive but indeterminate impact from applicable programs.
- No Revenue Estimating Conference estimate exists.

Unfunded Mandate (Art. VII, s. 18, Fla. Const.): No.

VI. LEGISLATIVE & FAC HISTORY:

- 2026: CS/HB 273 (Johnson) and CS/CS/SB 214 (McClain), ch. 2026-167, amended s. 288.0656(2)(e), F.S. The act added special districts in rural counties to the definition and created a category for independent water and wastewater special districts within rural areas of opportunity. It took effect July 1, 2026.
- 2026: SB 250 (Simon), Rural Communities, passed the Senate 39-0 and died in House Messages. In 2025, SB 110 (Simon), the prior rural package, also failed.
- Past FAC statements: None
- Guiding Principles coverage: Agriculture and Rural Affairs
- BoCC action: Marion County BoCC has voted to support the proposal.

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