In addition, TSA is revising the collection to include Cybersecurity Assessment Plan Reports. In October 2023, SD 1580/82–2022–01 required Owner/Operators to submit an annual report. These Owner/Operators are also required to conduct annual assessments of their cybersecurity measures and submit to TSA an annual report of the results of these assessments. TSA is updating the collection to include these reports.

Portions of the responses that are deemed sensitive security information are protected in accordance with procedures meeting the transmission, handling, and storage requirements of sensitive security information set forth in 49 CFR part 1520.[3]

Estimated Number of Respondents: 67.[4]

Estimated Annual Burden Hours: 22,167.

Dated: August 28, 2026.

Christina A. Walsh,

Paperwork Reduction Act Officer, Information Technology, Transportation Security Administration.

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–6553–N–03]

Fair Market Rents for the Housing Choice Voucher Program, Moderate Rehabilitation Single Room Occupancy Program, and Other Programs, Fiscal Year 2027

AGENCY: Office of the Assistant Secretary for Policy Development and Research, Department of Housing and Urban Development, HUD.

ACTION: Notice of fiscal year (FY) 2027 fair market rents (FMRs).

SUMMARY: HUD is required to publish FMRs not less than annually, adjusted to be effective on October 1 of each year. This notice describes the methods used to calculate the FY 2027 FMRs and lists the procedures for public housing agencies (PHAs) to request reevaluations of their FMRs as required by the Housing Opportunity Through Modernization Act of 2016 (HOTMA).

DATES: *Comment Due Date:* October 1, 2026.

Effective Date of FY 2027 FMRs: October 1, 2026, unless HUD receives a valid request for reevaluation of specific area FMRs as described below.

ADDRESSES: HUD invites interested persons to submit comments regarding the FMRs and to request reevaluation of the FY 2027 FMRs. Communications must refer to the above docket number and title and should contain the information specified in the ''Request for Public Comments and FMR Reevaluations'' section. There are two methods for submitting public comments or reevaluation requests:

1. *Electronic Submission of Comments.* Interested persons may submit comments or reevaluation requests electronically through the Federal eRulemaking Portal at *https://www.regulations.gov.* HUD strongly encourages commenters to submit comments or reevaluation requests electronically. Electronic submission of comments or reevaluation requests allows the author maximum time to prepare and submit a comment or reevaluation request, ensures timely receipt by HUD, and enables HUD to make them immediately available to the public. Comments submitted electronically through the *https://www.regulations.gov* website can be viewed by other submitters and interested members of the public. Commenters or reevaluation requestors should follow the instructions provided on that site to submit comments or reevaluation requests electronically.

2. *Submission of Comments by Mail.* Members of the public may submit comments or requests for reevaluation by mail to the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street SW, Room 10276, Washington, DC 20410–0500.

Note: To receive consideration as public comments or reevaluation requests, comments or requests must be submitted through one of the two methods specified above. Again, all submissions must refer to the docket number and title of the notice.

No Facsimile Comments or Reevaluation Requests. HUD does not accept facsimile (FAX) comments or requests for FMR reevaluation.

FOR FURTHER INFORMATION CONTACT: Adam Bibler, Office of Policy Development and Research, U.S. Department of Housing and Urban Development, 451 7th Street SW, Washington, DC 20410, telephone (202) 402–6057 (this is not a toll-free number).

For technical information on the methodology used to develop FMRs or a listing of all FMRs, please call the HUD User information line at 800–245–2691 or access the information on the HUD User website at *https://www.huduser.gov/portal/datasets/fmr.html.* HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as from individuals with speech or communication disabilities. To learn more about how to make an accessible telephone call, please visit *https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs.*

Questions related to the use of FMRs or voucher payment standards should be directed to the respective local HUD program staff or the Office of Public and Indian Housing Customer Service Center at *https://www.hud.gov/contactus/css.* Questions on how to conduct FMR surveys may be addressed to the electronic mailbox for the Program Parameters and Research Division at *pprd@hud.gov.*

Electronic Data Availability. This **Federal Register** notice will be available electronically from the HUD User page at *https://www.huduser.gov/portal/datasets/fmr.html.* **Federal Register** notices also are available electronically from *https://www.federalregister.gov/,* the U.S. Government Printing Office website. Complete documentation of the methodology and data used to compute each area's FY 2027 FMRs is available at *https://www.huduser.gov/portal/datasets/fmr.html#2027_query.* FY 2027 FMRs are available in a variety of electronic formats at *https://www.huduser.gov/portal/datasets/fmr.html,* including in PDF and Microsoft Excel. Small Area FMRs for all metropolitan and non-metropolitan areas are also available in electronic format at: *https://www.huduser.gov/portal/datasets/fmr/smallarea/index.html.* For informational purposes, HUD also publishes 50th percentile rents for all FMR areas at *https://www.huduser.gov/portal/datasets/50per.html.*

SUPPLEMENTARY INFORMATION:

I. Background

Section 8 of the USHA (42 U.S.C. 1437f) authorizes housing assistance to

[3] In addition, all data in TSA systems are statutorily required to comply with the Federal Information Security Modernization Act 2014 following the National Institute of Standards and Technology Special Publication 800.37 REV2 or Risk Management Framework, and other federal information security requirements including Federal Information Processing Standards 199 and Executive Order 14028. All systems, networks, servers, clouds and endpoints under the Federal Information Security Modernization Act 2014 boundary are hardened to meet the Department of Defense Security Technical Implementation Guidelines, as well as DHS Policy (4300.A) and TSA policy (TSA IA Handbook).

[4] After publishing the 60-day notice, TSA reviewed and updated the number of respondents from 846 to 67 and updated the estimate of the annual time burden from 210,684 hours to 22,167 hours.

aid low-income families in renting safe and decent housing. Housing assistance payments are limited by FMRs established by HUD for different geographic areas. In the Housing Choice Voucher (HCV) Program, the FMR is the basis for determining the ''payment standard'' used to calculate the maximum monthly subsidy for an assisted family. See 24 CFR 982.503. In addition, the year-over-year FMR change is one measure of rent inflation used to calculate the Renewal Funding Inflation Factors that affect PHAs' HCV funding eligibility for the calendar year. HUD also uses the FMRs to determine initial renewal rents for some expiring project-based Section 8 contracts, initial rents for housing assistance payment contracts in the Moderate Rehabilitation Single Room Occupancy Program, rent ceilings for rental units in both the HOME Investment Partnerships Program and the Emergency Solution Grants Program, calculation of maximum award amounts for Continuum of Care recipients and the maximum amount of rent a recipient may pay for property leased with Continuum of Care funds, and calculation of flat rents in public housing units. The FMR is also used to determine the Performance-Based Contract Administration Fee in Multifamily Housing. In general, the FMR for an area is the amount that a tenant would need to pay the gross rent (shelter rent plus utilities) of privately owned, decent, and safe rental housing of a modest (non-luxury) nature with suitable amenities. HUD's FMR calculations represent HUD's best effort to estimate the 40th percentile gross rent paid by recent movers into standard quality units in each FMR area.

On August 22, 2025, HUD published a Notice of Fiscal Year (FY) 2026 Fair Market Rents (FMRs) that included Notice of Proposed Material Changes for FY 2027 FMRs (90 FR 41096). For FY 2027 FMRs, HUD is implementing the proposed change described in that notice. The change affects how HUD calculates the utility portion of the gross rent inflation factors and trend factor forecasts. As described in the FY 2026 notice, HUD is adopting this change following the decision by the Bureau of Labor Statistics to discontinue publication of the local housing fuels and utilities Consumer Price Index, which HUD formerly used in the gross rent inflation factor. The methodology used to calculate the gross rent inflation factors and trend factor forecasts is discussed in section III, subsections E and F below.

II. Publication of FMRs

Section 8(c)(1) of the USHA,[1] as amended by HOTMA (Pub. L. 114–201, enacted July 29, 2016), requires the Secretary of HUD to publish FMRs not less than annually. Section 8(c)(1)(A) states that each FMR ''shall be adjusted to be effective on October 1 of each year to reflect changes, based on the most recent available data trended so the rentals will be current for the year to which they apply''. Section 8(c)(1)(B) requires that HUD publish, not less than annually, new FMRs on the World Wide Web or in any other manner specified by the Secretary, and that HUD must also notify the public of when it publishes FMRs by **Federal Register** notice. After notification, the FMRs ''shall become effective no earlier than 30 days after the date of such publication,'' and HUD must provide a procedure for the public to comment and request a reevaluation of the FMRs in a jurisdiction before the FMRs become effective. Consistent with the statute, HUD is issuing this notice to notify the public that FY 2027 FMRs are available at *https://www.huduser.gov/portal/datasets/fmr.html* and will become effective on October 1, 2026. This notice also provides procedures for FMR reevaluation requests.

III. FMR Methodology

This section provides a brief overview of how HUD computed the FY 2027 FMRs.

For complete information on how HUD derives each area's FMRs, see the online documentation at *https://www.huduser.gov/portal/datasets/fmr.html#2027_query.*

A. Geographic Area Definitions

The FY 2027 FMRs are based on the updated metropolitan statistical area (MSA) definitions published by the Office of Management and Budget (OMB) on July 21, 2023, and first adopted by HUD for FMRs in FY 2026. However, in many cases, HUD has split metropolitan statistical areas into smaller subareas, which HUD designates as ''HUD Metropolitan Fair Market Rent Areas (HMFAs).'' This is meant to minimize volatility in the year-to-year change in FMRs based on geographic revisions, and to tailor FMRs to local housing markets. For more information on how HUD determines HMFAs, see the FY 2026 FMR **Federal Register** notice (90 FR 41096) or HUD's online FMR methodology documentation.

[1] 42 U.S.C. 1437f.

B. Base Year Rents

For FY 2027 FMRs, HUD uses the U.S. Census Bureau's 5-year ACS data collected between 2020 and 2024 as the ''base rents'' for the FMR calculations. These data are the most current ACS data available at the time that HUD calculates the FY 2027 FMRs. To evaluate the statistical reliability of the ACS data used in the FMR calculations, HUD pairs a ''margin of error'' test [2] with an additional requirement based on the number of survey observations supporting the estimate. The Census Bureau does not provide HUD with an exact count of the number of observations supporting the ACS estimate; rather, the Bureau provides HUD with categories of the number of survey responses underlying the estimate, including whether the estimate is based on more than 100 observations. Using these categories, HUD requires that, in addition to meeting the ''margin of error'' test, ACS rent estimates must be based on at least 100 observations to be used as base rents.

For areas in which the 5-year ACS data for two-bedroom, standard quality [3] gross rents do not pass the statistical reliability tests (*i.e.,* have a margin of error ratio greater than 50 percent or fewer than 100 observations), HUD uses an average of the 5-year ACS estimates over the three most recent years [4] (provided that there is data available for at least two of these years),[5] or if such data are not available, using the two-bedroom rent data within the next largest geographic area. For a metropolitan subarea, the next largest area is its containing metropolitan area. For a non-metropolitan area, the next largest area is the State non-metropolitan portion.

C. Recent-Mover Factors

Following the assignment of the standard quality two-bedroom rent described above, HUD applies a recent-

[2] HUD's margin of error test requires that the margin of error of the ACS estimate is less than half the size of the estimate itself.

[3] The definition of a standard quality unit is one with complete plumbing and kitchen facilities; meals not included in rent; and situated on ten acres or less of land. HUD no longer excludes new construction units from the standard quality universe pursuant to the amended regulations at 24 CFR 888.113.

[4] For FY 2027, the 3 years of ACS data in question are 2022, 2023 and 2024. HUD adjusts the 2022 and 2023 data to be denominated in 2024 dollars using the growth in Consumer Price Index (CPI)-based gross rents measured between those years and 2024.

[5] To be used in the 3-year average calculation, the 5-year estimates must be minimally statistically qualified; that is, the margin of error of the estimates must be less than half the size of the estimate.

mover factor to these rents. HUD calculates the recent-mover factor as the change between the 5-year 2020–2024 standard quality two-bedroom gross rent and the 1-year 2024 recent mover gross rent for the recent mover factor area. HUD does not allow recent-mover factors to lower the standard quality base rent; therefore, if the 5-year standard quality rent is larger than the comparable 1-year recent mover rent, HUD sets the recent-mover factor to 1. When the recent-mover factor is greater than one and calculated for the same geographic area as the base rent, HUD is, in effect, replacing the base rent with the recent-mover rent for that area.

In determining the recent mover factor, HUD first considers the rents of households who moved into their unit only in the current ACS year. For ACS 2024, this means that the maximum length of time for a household to have lived in its current unit and still be considered a recent mover under this definition would be 11 months. HUD applies the same two statistical reliability checks to each ACS recent mover estimate as it does for the base rent estimate. First, the estimate must be supported by at least 100 sample cases from the ACS. Second, the estimate must have a margin of error that is smaller than half the estimate itself. HUD first considers the estimate for two-bedroom units, then for units of all bedroom counts. For areas without an ACS estimate meeting these criteria, HUD next checks the estimate tabulated from two-year recent movers. If the local two-year recent mover estimates are not reliable, HUD considers the estimates for increasingly larger areas of geography.

D. Other Rent Survey Data

HUD calculates base rents for the territorial island areas not covered by the ACS using data collected during the 2020 decennial census of American Samoa, Guam, the Northern Mariana Islands, and the US Virgin Islands.[6] HUD updates the 2020 base year data to 2024 using the growth in national ACS data over that period.

HUD does not use ACS data to establish the base rent or recent-mover factor in cases where it has locally collected survey data which are more recent than the 2024 ACS. For larger metropolitan areas that have valid ACS 1-year recent-mover data, survey data may not be any older than the midpoint of the calendar year for the ACS 1-year data. Since the ACS 1-year data used for the FY 2027 FMRs is from 2024, in larger areas with valid 1-year recent mover data HUD does not use other survey data collected before June 30, 2024. In areas without statistically reliable 1-year ACS data, HUD continues to use local survey data until the mid-point of the 5-year ACS data is more recent than the local survey, which is June 30, 2022 for the 2024 5-year ACS. For FY 2027 FMRs, the following are MSAs, HUD Metro FMR Areas, or non-metropolitan counties that have FMRs based on local ad hoc surveys:

(1) HUD uses survey data from 2022 to calculate the FMRs for Hawaii County, HI; Hood River County, OR; and Wasco County, OR.

(2) HUD uses survey data from 2024 for Boston-Cambridge-Quincy, MA-NH HUD Metro FMR Area; New York, NY HUD Metro FMR Area; Santa Maria-Santa Barbara, CA MSA; Santa Rosa, CA MSA; and all areas in the State of Montana.

(3) HUD uses survey data from 2025 for Albany, OR MSA; Asheville, NC HUD Metro FMR Area; Corvallis, OR MSA; Kahului-Wailuku-Lahaina, HI HUD Metro FMR Area; Los Angeles-Long Beach-Glendale, CA HUD Metro FMR Area; Napa, CA MSA; San Luis Obispo-Paso Robles-Arroyo Grande, CA MSA; and Transylvania County, NC.

(4) HUD uses survey data from 2026 for San Benito County, CA HUD Metro FMR Area and Santa Cruz-Watsonville, CA MSA.

E. Gross Rent Inflation Factors

The ACS recent mover rent estimates as described above produce a rent value that is ''as of'' 2024. To account for inflation, HUD adjusts this value using a gross rent inflation factor that captures rent growth from 2024 to 2025. This gross rent inflation factor itself consists of two components: a shelter rent inflation factor and a utility inflation factor.

1. Shelter Rent Inflation Factors

HUD calculates two measures of shelter rent inflation: one based on the year-to-year change in rent as measured by private data providers, and one based on the year-to-year change in rent as measured by the Consumer Price Index (CPI) rent of primary residence series. HUD uses both private data and the CPI in an attempt to fully and accurately measure recent mover rent inflation. Research has shown that private data often provide a timelier measure of recent mover rent inflation than the CPI, which is constructed by measuring the rents of both in-place and new tenants. However, the CPI provides other advantages as a measure of rent inflation, such as consisting of a representative sample of all housing units, measuring rent in the same units over time (a ''repeat rent'' sample), and adjusting for the aging of units.

The private measures of rent used by HUD are the Apartment List Rent Estimate of median rent, CoStar Group average effective rent, Cotality, Inc., single-family combined three-bedroom median rent, Moody's average market rent, RealPage average effective rent per unit, and Zillow Observed Rent Index. In calculating a measure of inflation from these data, HUD first takes the annual average of each statistic, then its year-to-year change. HUD then takes the mean of the changes from all available sources for each area. HUD uses a local measure of private rent inflation for markets that are covered by at least three of the six available sources of private rent data. For markets that are not covered by at least three sources, HUD uses the rental unit-weighted regional average of private inflation factors for the Census region in which the area is located. This ensures the rent inflation factor for smaller areas not covered directly by private sources still take into account current rental market conditions. Similarly, HUD uses the local metropolitan area CPI rent of primary residence for the 23 areas where such data exist, or the regional CPI rent in areas without a local index.

2. Utility Inflation Factors

In order to produce a gross rent inflation factor, HUD combines these year-to-year change in rent with the change in utility costs. Newly for FY 2027, HUD uses a weighted average composite of four household fuel and utility components (electricity, natural gas, fuel oil, and water/sewer/trash) to produce a utility inflation factor. This utility inflation factor is designed to replicate the CPI-based utility index for each of the 23 self-representing Primary Sampling Units (PSUs) in the CPI sample, as well as the four Class B/C Census regions. The weighted average composite uses State-level data from the U.S. Energy Information Administration (EIA) surveys for residential electricity, natural gas, and fuel oil prices, along with national-level data on changes in residential water, sewer, and trash collection costs from the BLS.

Because EIA data is primarily available at the State level, HUD assigns State-level prices to each PSU based on the State in which the PSU is located. For PSUs that span multiple States,

[6] The ACS is not conducted in the Pacific Islands (Guam, Northern Mariana Islands and American Samoa) or the US Virgin Islands. As part of the 2020 Decennial Census, the Census Bureau conducted ''long-form'' sample surveys for these areas. HUD uses the results gathered by this long form survey for the FY 2027 FMRs.

HUD assigns a utility price based on a population-weighted average of the relevant State-level utility prices, using the population of each county within the PSU as weights. For example, the Washington-Arlington-Alexandria, DC-VA-MD-WV PSU spans three States and the District of Columbia and includes 25 counties; HUD calculates a weighted average utility price for each component using aggregated county population data from these States and the District of Columbia. Similarly, for the Class B/C Census regions, HUD computes a population-weighted average utility price across all non-self-representing PSU areas, consistent with the BLS approach to constructing the regional CPI for Class B/C areas.

Once each PSU and Census region is assigned utility prices, HUD calculates the year-over-year change in each of the four utility components. HUD then produces composite utility inflation factors using national CPI–U relative importance weights from the household fuels and utilities (SAH2) series. The final composite utility inflation factors are also used for the trend factor forecasts as described in section III, subsection F.

3. Gross Rent Inflation Factors

HUD then combines these utility inflation factors with the private and CPI shelter rent inflation factors by taking a weighted average of the two, using the utility share of gross rent expenditures from the ACS as weights. This produces two gross rent inflation factors, one based on the private shelter rent measure and one based on the CPI measure. Next, HUD takes an average of these two measures, where the private-sector factor is weighted at approximately 55 percent and the CPI rent inflation measure is weighted at approximately 45 percent. HUD has determined and updated these weights by comparing the national average of the private rent changes and changes in CPI rent of primary residence to changes in the national average of recent mover rents from the ACS from 2018 through 2024. HUD weights the private data averages and overall CPI rent of primary residence in such a way as to minimize the root mean squared error between the resulting average and the ACS recent mover rents. For future FMRs, HUD will continue to update the weights by adding the most recent years of ACS recent mover rents, private rent data, and CPI rent of primary residence to the analysis.

HUD multiplies this overall gross rent inflation factor by the recent mover rent, and the resulting estimates are ''as of'' 2025.

F. Trend Factor Forecasts

Following the application of the local or regional gross rent inflation factor, HUD trends the gross rent estimate from 2025 to FY 2027 using a trend factor which is based on local or regional forecasts of CPI gross rent data. HUD derived a trend factor for each Class A CPI area and Class B/C CPI region using time series models based on national inputs (National Input Model or NIM), local inputs (Local Input Model or LIM), and historical values of the predicted series (Pure Time Series—PTS). Starting in FY 2027, these trend factors include the composite utility inflation factors described in Section III, subsection E above. HUD chose the actual model used for each CPI area's trend factor based on which model generates the lowest Root Mean Square Error (RMSE) statistic and applied the trend factors to the corresponding FMR areas. HUD established the type of model for each forecast (NIM, LIM, or PTS) for the FY 2020 FMRs. HUD had previously stated it would reassess the model selections during the calculation of the FY 2025 FMRs. However, due to the high degree of volatility that occurred in rental markets from 2020–2024, HUD believes that evaluating model performance during this period will not result in the best long term model selection and, therefore, did not reevaluate for the FY 2027 FMRs. More details on the trend factor forecasts are available in the June 5, 2019, **Federal Register** notice (84 FR 26141) and are available at *https://www.federalregister.gov/documents/2019/06/05/2019-11763/proposed-changes-to-the-methodology-used-for-estimating-fair-market-rents.*

G. Bedroom Rent Adjustments

HUD uses two-bedroom units for its primary calculation of FMR estimates. This is generally the most common size of rental unit and, therefore, the most reliable to survey and analyze. After estimating two-bedroom FMRs, HUD calculates bedroom ratios for each FMR area, which relate the prices of smaller and larger units to the cost of two-bedroom units. The bedroom ratios HUD uses in the calculation of FY 2027 FMRs are calculated from three 5-year ACS data series (2018–2022, 2019–2023, and 2020–2024). HUD only uses estimates with a margin of error ratio of less than 50 percent. If an area does not have reliable estimates in at least two of the previous three ACS releases, HUD uses the bedroom ratios for the area's larger parent geography.

To ensure an adequate distributional fit in these bedroom ratio calculations for individual FMR areas, HUD establishes bedroom interval ranges which set upper and lower limits for bedroom ratios nationwide, based on an analysis of the range of such intervals for all areas with large enough samples to permit accurate bedroom ratio determinations. In the calculation of FY 2027 FMR estimates, HUD sets the bedroom interval ranges as follows: efficiency FMRs are constrained to fall between approximately 0.70 and 0.88 of the two-bedroom FMR; one-bedroom FMRs must be between 0.76 and 0.92 of the two-bedroom FMR; three-bedroom FMRs (prior to the adjustments described below) must be between 1.10 and 1.27 of the two-bedroom FMR; and four-bedroom FMRs (again, prior to adjustment) must be between 1.22 and 1.55 of the two-bedroom FMR. Given that these interval ranges partially overlap across unit bedroom counts, HUD further adjusts bedroom ratios for a given FMR area, if necessary, to ensure that higher bedroom-count units have higher rents than lower bedroom-count units within that area.

HUD further adjusts the rents for three-bedroom and larger units to reflect HUD's policy to set higher rents for these units.[7] This adjustment is intended to increase the likelihood that the largest families, who have the most difficulty in leasing units, will be successful in finding eligible program units. The adjustment adds 8.7 percent to the unadjusted three-bedroom FMR estimates and adds 7.7 percent to the unadjusted four-bedroom FMR estimates.

HUD derives FMRs for units with more than four bedrooms by adding 15 percent to the four-bedroom FMR for each extra bedroom. For example, the FMR for a five-bedroom unit is 1.15 times the four-bedroom FMR, and the FMR for a six-bedroom unit is 1.30 times the four-bedroom FMR. Similarly, HUD derives FMRs for single-room occupancy units by subtracting 25 percent from the zero-bedroom FMR (*i.e.,* they are set at 0.75 times the zero-bedroom [efficiency] FMR).[8]

H. Minimum FMRs

All FMRs are subject to a minimum rent based on State or national non-metropolitan area median rent. HUD calculates a population-weighted

[7] As mentioned above, HUD applies the interval ranges for the three-bedroom and four-bedroom FMR ratios prior to making these adjustments. In other words, the adjusted three- and four-bedroom FMRs can exceed the interval ranges but the unadjusted FMRs cannot.

[8] As established in the interim rules implementing the provisions of the Quality Housing and Work Responsibility Act of 1998 (Title V of the FY 1999 HUD Appropriations Act; Pub. L. 105–276) in 24 CFR 982.604.

median two-bedroom FMR across all non-metropolitan counties or county-equivalents of each State, which, for the purposes of FMRs, is the State minimum rent. HUD also calculates the population weighted median FMR rent across all non-metropolitan areas of the country, which, for the purposes of FMRs, is the national non-metropolitan rent. For FY 2027, the national non-metropolitan rent is $1,014. The applicable minimum rent for a particular area is the *lower* of the State or national non-metropolitan median. Each area's two-bedroom FMR must be no less than the applicable minimum rent.

I. Limit on FMR Decreases

HUD's regulations at 24 CFR 888.113 include a limit on the amount that FMRs may annually decrease. The current year's FMRs resulting from the application of the bedroom ratios, as discussed in section (E) above, may be no less than 90 percent of the prior year's FMRs for units with the same number of bedrooms. Accordingly, if the current year's FMRs are less than 90 percent of the prior year's FMRs as calculated by the above methodology, HUD sets the current year's FMRs equal to 90 percent of the prior year's FMRs. For areas where HUD has required the use of Small Area FMRs in the administration of their voucher programs, the FY 2027 Small Area FMRs may be no less than 90 percent of the FY 2026 Small Area FMRs. For all other metropolitan areas, the FY 2027 Small Area FMRs may be no less than 90 percent of the greater of the FY 2026 metropolitan area wide FMRs or the applicable FY 2026 Small Area FMR.

PHAs operating in areas where the calculated FMR is lower than the published FMR (*i.e.,* those areas where HUD has limited the decrease in the annual change in the FMR to 10 percent) may request payment standards below the basic range (24 CFR 982.503(e)) and reference the ''unfloored'' rents (*i.e.,* the unfinalized FMRs calculated by HUD prior to application of the 10-percent-decrease limit) depicted in the FY 2027 FMR Documentation System (available at: *https://www.huduser.gov/portal/datasets/fmr.html#2027_query*).

IV. Small Area FMRs (SAFMRs)

A. SAFMR Methodology

The methodology for calculating SAFMRs is unchanged from FY 2026. First, HUD calculates Small Area FMRs directly from the standard quality gross rents provided to HUD by the Census Bureau for ZIP Code Tabulation Areas (ZCTAs) when such data are statistically reliable. The ZCTA two-bedroom equivalent 40th percentile gross rent is analogous to the standard quality base rents set for metropolitan areas and non-metropolitan counties. For each ZCTA with statistically reliable gross rent estimates, HUD calculates a two-bedroom equivalent 40th percentile gross rent using the first statistically reliable gross rent estimate from the following data sets (in this order): two-bedroom gross rents, one-bedroom gross rents, and three-bedroom gross rents. If either the one-bedroom or three-bedroom gross rent data are used because the two-bedroom gross rent data are not statistically reliable, HUD converts the one-bedroom or three-bedroom 40th percentile gross rent to a two-bedroom equivalent rent using the bedroom ratios for the ZCTA's parent metropolitan or non-metropolitan area. To increase stability of these Small Area FMR estimates, HUD averages the latest 3 years of gross rent estimates.[9]

For ZCTAs without usable gross rent data by bedroom count, HUD calculates Small Area FMRs using the rent ratio method. To calculate Small Area FMRs using a rent ratio, HUD divides the median gross rent across all bedrooms for the ZCTA by the similar median gross rent for the metropolitan or non-metropolitan area of the ZCTA. If a ZCTA does not have reliable rent data at the all-bedroom level, HUD will then check to see if the ZCTA borders other ZCTAs that themselves have reliable rent data. If at least half of a ZCTA's ''neighbors'' have such data, HUD will use the weighted average of those estimates as the basis for the Small Area FMR rather than a county proxy, where the weight is the length of the shared boundary between the ZCTA and its neighbor. In small areas where the neighboring ZCTA median gross rents are not statistically reliable, HUD substitutes the median gross rent for the county containing the ZIP Code in the numerator of the rent ratio calculation. HUD multiplies this rent ratio by the current two-bedroom FMR for the metropolitan or non-metropolitan area containing the small area to generate the current year two-bedroom FMR for the small area.

HUD continues to use a rolling average of ACS data in calculating the Small Area FMR rent ratios. HUD believes coupling the most current data with previous year's data minimizes excessive year-to-year variability in Small Area FMR rent ratios due to sampling variance. Therefore, for FY 2027 Small Area FMRs, HUD has updated the rent ratios to use an average of the rent ratios calculated from the 2018–2022, 2019–2023, and 2020–2024 5-year ACS estimates.

HUD limits each two-bedroom Small Area FMR to be no more than 150 percent of the two-bedroom FMR for the metropolitan or non-metropolitan area where the ZIP Code is located.

B. SAFMR Mandatory Use

On November 16, 2016, HUD published a final rule entitled ''Establishing a More Effective Fair Market Rent (FMR) System; Using Small Area Fair Market Rents (Small Area FMRs) in Housing Choice Voucher Program Instead of the Current 50th Percentile FMRs'' (81 FR 80567) (''final rule'' or ''Small Area FMRs final rule''). Based on that rule, HUD has required PHAs operating in certain metropolitan areas to use Small Area Fair Market Rents in determining payment standards used in the Housing Choice Voucher Program.

On October 25, 2023, HUD published the notice ''Small Area Fair Market Rents in the Housing Choice Voucher Program—Metropolitan Areas Subject to Small Area Fair Market Rents'' (88 FR 73352), which requires 41 additional metropolitan areas to use Small Area FMRs in the administration of the HCV Program.

Additionally, geographic changes for the FY 2026 FMRs changed the boundaries of two mandatory SAFMR areas: Calvert County, MD was removed from the Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area, and the towns of Bristol, Burlington, Hartland, and Union were removed from Hartford-West Hartford-East Hartford, CT HUD Metro FMR Area. Additionally, the towns of Clinton, Deep River, Essex, Killingworth, Lyme, Old Lyme, Old Saybrook and Westbrook were newly added to the Hartford-West Hartford-East Hartford, CT MSA. PHAs in all these areas are required to use Small Area FMRs in determining payment standards.

HUD lists Small Area FMRs for all areas in the Small Area FMR Schedule. PHAs operating in areas where the use of Small Area FMRs is not mandated must notify HUD of their voluntary use of Small Area FMRs in the operation of their HCV Program.

[9] For example, for FY 2027 Small Area FMRs, HUD averages the gross rents from 2022, 2023, and 2024 5-Year ACS estimates. The 2022 and 2023 gross rent estimates would be adjusted to 2024 dollars using the metropolitan area's gross rent CPI adjustment factors.

V. Request for Public Comments and FMR Reevaluations

HUD accepts public comments on the methods HUD uses to calculate FY 2027 FMRs and requests for reevaluation of FMRs for specific areas until the comment deadline specified in this notice. HUD lacks the resources to conduct local surveys of rents to address comments filed regarding the FMR levels for specific areas. PHAs may continue to fund such surveys independently, as specified below, using ongoing administrative fees or their administrative fee reserve if they so choose. HUD continually strives to calculate FMRs that meet the statutory requirement of using ''the most recent available data'' while also serving as an effective program parameter.

A. FMR Reevaluation Comment Instructions and Timeline

Section 8(c)(1)(B) of the USHA includes the following: ''The Secretary shall establish a procedure for public housing agencies and other interested parties to comment on such fair market rentals and to request, within a time specified by the Secretary, reevaluation of the fair market rentals in a jurisdiction before such rentals become effective.''

Typically, PHAs request a reevaluation of FMRs solely to ensure that they can establish adequate payment standards. HUD reminds PHAs that FMRs are also an underlying component of their annual HCV Renewal Funding Inflation Factors (RFIFs), and potential concerns regarding the adequacy of the RFIF are important considerations when determining whether to request an FMR reevaluation.

PHAs or other parties interested in requesting HUD's reevaluation of their area's FY 2027 FMRs, as provided for under section 8(c)(1)(B) of USHA, must follow the following procedures:

(1) By the end of the 30-day comment period, PHAs must submit reevaluation requests through *https://www.regulations.gov/* or directly to HUD as described in the Addresses section above. The area's PHA or, in multi-jurisdictional areas, PHA(s) representing at least half of the voucher tenants in the FMR area, must agree that the reevaluation is necessary.

(2) The requestor(s) must supply HUD with data more recent than the 2024 ACS data used in the calculation of the FY 2027 FMRs. HUD requires data on gross rents paid in the FMR area for occupied standard quality rental housing units. Occupied recent mover units (defined as those who moved in the past 24 months, although a shorter definition may also be used at the requestor's discretion) provide the best data. The data delivered must be sufficient for HUD to calculate a 40th percentile two-bedroom gross rent. Should this type of data not be available, requestors may gather this information using the survey guidance available at *https://www.huduser.gov/portal/datasets/fmr/NoteRevisedAreaSurveyProcedures.pdf* and *https://www.huduser.gov/portal/datasets/fmr/PrinciplesforPHA-ConductedAreaRentSurveys.pdf.*

(3) Areas where valid reevaluation requests are submitted *may* continue to use FY 2026 FMRs, or *may* use the FY 2027 FMRs. Commenters should indicate whether they wish to maintain the FY 2026 or implement the FY 2027 FMR during the revaluation period as part of their reevaluation request. Following the comment period, HUD will post a list, at *https://www.huduser.gov/portal/datasets/fmr.html,* of the areas requesting reevaluations where FY 2026 FMRs remain in effect.

(4) PHAs or other parties must supply data for reevaluations to HUD no later than Friday, January 8, 2027. All survey responses of rental units gathered as part of the survey efforts should be delivered to HUD via email. As in FY 2026, HUD requests that survey responses include the ZIP Code or comparable small-area identifier (such as Census tract) of the housing unit. In addition to the survey data, HUD requires a current utility schedule to evaluate the survey responses. Finally, HUD encourages PHAs to evaluate their survey data to ensure the survey supports their request. Should PHAs or their contractors undertake this evaluation, HUD requests that this analysis also be submitted.

HUD will use the data delivered by January 8, 2027, to reevaluate the FMRs and following the reevaluation, HUD will post revised FMRs in April of 2027 with an accompanying **Federal Register** notice stating the revised FMRs are available, which will include HUD's responses to comments filed during the comment period for this notice. By January 15, 2027, HUD will post at *https://www.huduser.gov/portal/datasets/fmr.html* a listing of the areas that requested FMR reevaluations and continued effect of the FY2026 FMRs, but did not deliver data, making the FY 2027 FMRs effective in these areas. HUD will incorporate any data supporting a change in FMRs supplied after January 8, 2027, into the FY 2028 FMRs. Questions on how to conduct FMR surveys may be addressed to the Program Parameters and Research Division at *pprd@hud.gov.*

B. FMR Reevaluation Survey Procedures

PHAs conducting FMR reevaluation surveys should refer to the guidelines at: *https://www.huduser.gov/portal/datasets/fmr.html#survey_info.* In general, PHAs must sponsor or conduct an address-based mail survey that mirrors the rent and housing characteristics portion of the ACS. Other survey methods are acceptable in providing data to support reevaluation requests if the survey method can provide statistically reliable, unbiased estimates of gross rents paid throughout the entire FMR area and small area identifiers for the survey responses. In general, recommendations for FMR changes and supporting data must reflect the rent levels that exist within the entire FMR area and should be statistically reliable.

PHAs in large metropolitan areas should target sample sizes of at least 200–300 units; PHAs in non-metropolitan areas are required to obtain 100 eligible survey responses. In both cases the sample frame will be considerably larger, taking into account survey non-response rates and the fact that some units will fail to qualify. PHAs may conduct surveys of groups of non-metropolitan counties to increase the number of rental units that are surveyed, but HUD must approve all county-grouped surveys in advance. HUD cautions that the resulting FMRs may not be identical for the counties surveyed; each individual FMR area will have a separate FMR based on the relationship of rents in that area to the combined rents in the cluster of FMR areas. In addition, HUD advises that in counties where FMRs are based on the combined rents in the cluster of FMR areas, HUD will not revise their FMRs unless the grouped survey results show a revised FMR statistically different from the combined rent level.

Survey samples should preferably be randomly drawn from a complete list of rental units for the FMR area. If this is not feasible, the selected sample must be drawn to be statistically representative of the entire rental housing stock of the FMR area. Surveys must include units at all rent levels and be representative by structure type (including single-family, duplex, and other small rental properties), age of housing unit, and geographic location. The current 5-year ACS data should be used as a means of verifying if a sample is representative of the FMR area's rental housing stock. HUD staff are available to work with PHAs in areas requesting re-evaluations to provide the minimum number of survey cases required to ensure that data submitted for re-evaluation represent a statistically valid sample. In cases where a submitted sample is not representative, HUD may attempt to weight the sample cases prior to calculating 40th percentile rent estimates.

A PHA or contractor that cannot obtain the recommended number of sample responses after reasonable efforts should consult with HUD before abandoning its survey; in such situations, HUD may find it appropriate to relax normal sample size requirements.

VI. Environmental Impact

This notice involves the establishment of FMR schedules, which do not constitute a development decision affecting the physical condition of specific project areas or building sites. Accordingly, under 24 CFR 50.19(c)(6), this notice is categorically excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321).

Accordingly, the FMR schedules, which will not be codified in 24 CFR part 888, are available at *https://www.huduser.gov/portal/datasets/fmr.html.*

Reid Wilson,

Deputy Chief of Staff to the Secretary, Performing the Delegable Duties of the Principal Deputy Assistant Secretary for Policy Development and Research.

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–6542–N–02]

Tribal Intergovernmental Advisory Committee Request for Member Nominations

AGENCY: Office of Assistant Secretary for Public and Indian Housing, HUD.

ACTION: Notice.

SUMMARY: This notice seeks nominations for HUD's Tribal Intergovernmental Advisory Committee (TIAC).

DATES: Nominations for potential representatives of the TIAC are due on or before: November 2, 2026.

Electronic Submission of Nominations. Interested persons are invited to submit nominations for potential representatives of the TIAC. Nominations must be submitted to HUD electronically through the Federal Rulemaking Portal at *www.regulations.gov.* Electronic submission allows the maximum time to prepare and submit nominations, ensures timely receipt by HUD, and enables HUD to make them immediately available to the public. Individuals should follow the instructions provided on the website to submit nominations. To be considered, all submissions must refer to the docket number and title. Nominations should not be submitted by mail or fax.

FOR FURTHER INFORMATION CONTACT: Hilary Atkin, Acting Deputy Assistant Secretary for Native American Programs, Office of Public and Indian Housing, Department of Housing and Urban Development, 451 7th Street SW, Washington, DC 20410. HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech or communication disabilities. To learn more about how to make an accessible call, please visit *https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs.*

SUPPLEMENTARY INFORMATION:

I. Background

HUD established the TIAC in 2022 to further enhance consultation and collaboration with Tribal governments. It has provided critical support to HUD as it formulates policies with a direct impact on Tribes and tribally designated housing entities (TDHEs). TIAC members serve 2-year terms. At the end of calendar year 2026, seven of the representatives' terms will end.

II. Nominations for TIAC Membership

HUD is requesting nominations for Tribal representatives to serve on the TIAC, starting in January 2027, for 2-year terms. Nominations are due on or before: November 2, 2026. Nominations are encouraged from all regions of the continental United States and Alaska. If you are interested in serving as a member or in nominating another person to serve as a member, you may submit a nomination to HUD in accordance with the Electronic Submission of Nominations section of this notice. Your nomination for TIAC membership must include:

1. The name of the nominee, a description of the interests the nominee would represent, and a description of the nominee's experience and interest in American Indian and Alaska Native (AIAN) housing and community development;

2. Evidence that the nominee is a duly elected or appointed Tribal leader and is authorized to represent a federally recognized Tribal government or Alaska Native Corporation; and

3. A written commitment from the nominee that they will actively engage and participate in TIAC meetings.

HUD will appoint TIAC members from the pool of nominees submitted in response to this notice. HUD will announce the final selections for TIAC membership in a future **Federal Register** notice. Members will be selected based on proven experience and interest in AIAN housing and community development and whether their interest could be represented adequately by other members. In addition to regional members, at-large members will be selected based on their ability to represent specific interests that might not be represented by the selected regional members. For membership requirements, see section III.C.

III. Purpose of TIAC and Meetings

A. Purpose and Role of TIAC

The purposes of the TIAC are:

(1) To further facilitate intergovernmental communication between HUD and Tribal leaders of federally recognized Tribes on all HUD programs;

(2) To make recommendations to HUD regarding current program regulations that may require revision, as well as suggest rulemaking methods to develop such changes. The TIAC will not, however, negotiate changes to regulations subject to negotiated rulemaking under section 106 of the Native American Housing Assistance and Self-Determination Act and will not serve in place of any future negotiated rulemaking committee established by HUD; and

(3) To advise in the development of HUD's AIAN housing priorities. The role of the TIAC is to provide recommendations and input to HUD and to provide a vehicle for regular, meaningful consultation and collaboration with Tribal officials. It does not replace other means of Tribal consultations, but, rather, supplements them. HUD maintains the responsibility to exercise program management, including drafting of HUD notices, guidance documents, and regulations.

B. Meetings and Participation

Subject to availability of Federal funding, the TIAC plans to meet in-person twice per year (once at HUD's office in Alexandria, VA and once at another location) to discuss agency policies and activities with HUD, set shared priorities, and facilitate further consultation with Tribal leaders. HUD will pay for these meetings, including members' travel costs. The TIAC may meet on a more frequent basis virtually