• lipid disorder  
• metabolic syndrome

**Development Stage**

**Early stage**

**Inventors:** Kenneth A. Jacobson (NIDDK), Anna Junker, Elisa Uliaasi (NIDDK), Evgeny Kiselev (NIDDK)


**Licensing Contact:** Betty B. Tong, Ph.D.; 301–451–7836; tongb@mail.nih.gov. This notice is made in accordance with 35 U.S.C. 209 and 37 CFR part 404.

**Dated:** November 19, 2020.

**Bei Tong,**

Senior Licensing and Patenting Manager, National Institute of Diabetes and Digestive and Kidney Diseases, Technology Advancement Office.

**Notice of Certain Operating Cost Adjustment Factors for 2021**

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**[Docket No. FR–6236–N–01]**

**Notice of Certain Operating Cost Adjustment Factors for 2021**

**AGENCY:** Office of the Assistant Secretary for Housing—Federal Housing Commissioner, HUD.

**ACTION:** Notice.

**SUMMARY:** This notice establishes operating cost adjustment factors (OCAFs) for project-based assistance contracts issued under Section 8 of the United States Housing Act of 1937 and renewed under the Multifamily Assisted Housing Reform and Affordability Act of 1997 (MAHRA) for eligible multifamily housing projects having an anniversary date on or after February 11, 2021. OCAFs are annual factors used to adjust Section 8 rents renewed under section 515 or section 524 of MAHRA.

**DATES:** Applicability Date: February 11, 2021.

**FOR FURTHER INFORMATION CONTACT:** Carissa Janis, Program Analyst, Office of Asset Management and Portfolio Oversight, Department of Housing and Urban Development, 451 7th Street SW, Washington, DC 20410; telephone number 202–402–2487 (this is not a toll-free number). Hearing- or speech-impaired individuals may access this number through TTY by calling the toll-free Federal Relay Service at 800–877–8339.

**SUPPLEMENTARY INFORMATION:**

I. **OCAFs**

Section 514(e)(2) and section 524(c)(1) of MAHRA (42 U.S.C. 1437f note) require HUD to establish guidelines for the development of OCAFs for rent adjustments. Sections 524(a)(4)(C)(i), 524(b)(1)(A), and 524(b)(5)(A) of MAHRA, all of which prescribe the use of the OCAF in the calculation of renewal rents, contain similar language. HUD has therefore used a single methodology for establishing OCAFs, which vary among states and territories. MAHRA gives HUD broad discretion in setting OCAFs, referring, for example, in sections 524(a)(4)(C)(i), 524(b)(1)(A), 524(b)(3)(A), and 524(c)(1), to simply “an operating cost adjustment factor established by the Secretary.” The sole limitation to this grant of authority is a specific requirement in each of the foregoing provisions that application of an OCAF “shall not result in a negative adjustment.” Contract rents are adjusted by applying the OCAF to that portion of the rent attributable to operating expenses exclusive of debt service.

The OCAFs provided in this notice are applicable to eligible projects having a contract anniversary date of February 11, 2021, or after and were calculated using the same method as those published in HUD’s 2020 OCAF notice published on November 22, 2019 (84 FR 64533). Specifically, OCAFs are calculated as the sum of weighted component cost changes for wages, employee benefits, property taxes, insurance, supplies and equipment, fuel oil, electricity, natural gas, and water/sewer/trash, using publicly available indices. The weights used in the OCAF calculations for each of the nine cost component groupings are set using current percentages attributable to each of the nine expense categories. These weights are calculated in the same manner as in the November 22, 2019, notice. Average expense proportions were calculated using three years of audited Annual Financial Statements from projects covered by OCAFs. The expenditure percentages for these nine categories have been found to be very stable over time but using three years of data increases their stability. The nine cost component weights were calculated at the state level, which is the lowest level of geographical aggregation with enough projects to permit statistical analysis. These data were not available for the Western Pacific Islands, so data for Hawaii were used as the best available indicator of OCAFs for these areas.

The best current price data sources for the nine cost categories were used in calculating annual change factors. State-