(1) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(2) Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

(3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, *e.g.,* permitting electronic submission of responses.

Overview of This Information Collection

(1) *Type of Information Collection:* Extension, Without Change, of a Currently Approved Collection.

(2) *Title of the Form/Collection:* Request for the Return of Original Documents.

(3) *Agency form number, if any, and the applicable component of the DHS sponsoring the collection:* G–884; USCIS.

(4) *Affected public who will be asked or required to respond, as well as a brief abstract: Primary:* Individuals or households. This form standardizes the USCIS procedures for requesting the return of original documents contained in alien files. The information provided will be used by the USCIS to determine whether a person is eligible to obtain original documents contained in an alien file.

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* The estimated total number of respondents for the information collection G–884 is 6,600 and the estimated hour burden per response is 0.5 hours.

(6) *An estimate of the total public burden (in hours) associated with the collection:* The total estimated annual hour burden associated with this collection is 3,300 hours.

(7) *An estimate of the total public burden (in cost) associated with the collection:* The estimated total annual cost burden associated with this collection of information is $808,500.

Dated: June 16, 2023.

Samantha L. Deshommes,

Chief, Regulatory Coordination Division, Office of Policy and Strategy, U.S. Citizenship and Immigration Services, Department of Homeland Security.

[FR Doc. 2023–13367 Filed 6–22–23; 8:45 am]

BILLING CODE 9111–97–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–6401–N–01]

Proposed Changes to the Methodology Used for Calculating Fair Market Rents

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

ACTION: Notice of proposed changes for calculating Fair Market Rents (FMRs).

SUMMARY: The United States Housing Act of 1937 (USHA) requires the Secretary to publish FMRs periodically, but not less than annually, adjusted to be effective on October 1 of each year. The primary uses of FMRs are to determine payment standards for the Housing Choice Voucher (HCV) program, to determine initial renewal rents for some expiring project-based Section 8 contracts, and to serve as rent ceilings for rental units in both the HOME Investment Partnerships Program and the Emergency Solutions Grants Program and a primary rent standard option for the Housing for Opportunities for Persons With AIDS (HOPWA) program. HUD also uses FMRs in the calculation of maximum award amounts for Continuum of Care grantees and in the calculation of flat rents for Public Housing units. To better determine payment standards and related parameters for HUD programs, HUD proposes changes in how FMRs are calculated in this notice and seeks public comment on the proposed changes. This notice also responds to public comments that were submitted on the publication of Fiscal Year 2023 FMRs.

DATES: *Comment Due Date:* July 24, 2023.

ADDRESSES: HUD invites interested persons to submit comments regarding the proposed changes to the calculation of the FMRs to the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street SW, Room 10276, Washington, DC 20410–0001. Communications must refer to the above docket number and title and should contain the information specified in the ''Request for Comments'' section.

There are two methods for submitting public comments.

1. Submission of Comments by Mail. Comments may be submitted 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. Due to security measures at all Federal agencies, however, submission of comments by mail often results in delayed delivery. To ensure timely receipt of comments, HUD recommends that comments submitted by mail be submitted at least two weeks in advance of the public comment deadline.

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

Note: To receive consideration as public comments, comments 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. Facsimile (FAX) comments are not acceptable.

Public Inspection of Public Comments. All properly submitted comments and communications regarding this notice submitted to HUD will be available for public inspection and copying between 8 a.m. and 5 p.m. weekdays at the above address. Due to security measures at the HUD Headquarters building, an advance appointment to review the public comments must be scheduled by calling the Regulations Division at 202–708–3055 (this is not a toll-free number). 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 telephone call, please visit *https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs*. Copies of all comments submitted are available for inspection and downloading at *https://www.regulations.gov*.

FOR FURTHER INFORMATION CONTACT: Questions on this notice may be addressed to Adam Bibler, Director, Program Parameters and Research Division, Office of Economic Affairs, Office of Policy Development and Research, HUD Headquarters, 451 7th Street SW, Room 8208, Washington, DC 20410, telephone number (202)-402–6057; or via email at *pprd@hud.gov*. 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 telephone call, please visit *https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs*.

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*.

SUPPLEMENTARY INFORMATION:

I. Background

Section 8 of the USHA (42 U.S.C. 1437f) authorizes housing assistance to aid lower-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 amount'' used to calculate the maximum monthly subsidy for an assisted family. See 24 CFR 982.503. HUD also uses the FMRs to determine initial renewal rents for some expiring project-based Section 8 contracts, rent ceilings for rental units in both the HOME Investment Partnerships program and the Emergency Solution Grants program, the primary rent standard for the HOPWA 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. 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 [1] paid by recent movers into standard quality units in each FMR area. In addition, all rents subsidized under the HCV program must meet reasonable rent standards.

II. Response to Comments on FY 2023 FMRs

On September 1, 2022, HUD published a notice in the **Federal Register**, at 86 FR 53761 entitled ''Fair Market Rents for the Housing Choice Voucher Program, Moderate Rehabilitation Single Room Occupancy Program, and Other Programs Fiscal Year 2023.'' [2] This notice announced the availability of FY 2023 Fair Market Rents (FMRs), described the methods used to calculate the FY 2023 FMRs, responded to comments submitted on proposed changes to the methodology for calculating FMRs, and detailed how Public Housing Agencies (PHAs) and other interested parties could request reevaluation of their FMRs. The public comment period for the September 1, 2022, notice closed on October 3, 2022, and HUD received 16 distinct comments relating to the notice. The comments were from PHAs, community development agencies, and individuals.

General Support for the FY2023 FMRs

Some commenters generally supported the proposed 2023 FMRs. A commenter said they supported HUD's decision to change its methodology by introducing private sector rental data into the FMR calculation process to obtain more accurate gross rents. This commenter stated that calculating the FY2023 FMRs with the methodological change can ensure that FMRs accurately reflect recent steep rent increases in many communities and will make it easier for households in those communities to use their vouchers to rent affordable homes. Another commenter stated that the new methodology closely aligns with the aggregate rental housing market behavior.

HUD Response: HUD appreciates the supportive comments.

Insufficient or Decreasing FMRs Impose Hardships

Commenters expressed their concerns about rising rents. Many commenters expressed that recipients of Housing Choice Vouchers are facing decreasing success rates in finding housing at the current FMR rates due to steep rent increases. Some commenters stated that the gaps between the FMR and market rates are making it harder for assisted families to find affordable housing because FMRs fail to reflect actual rent prices and, as a result, more voucher holders are priced out of local rental housing inventories.

Some commenters said that in 2022 some of their FMRs went down, but prices in general are rising, including the cost of utilities. One commenter said in 2022 they had to obtain permission from HUD to raise their payment standard to 120 percent of the FMR to get landlords to consider accepting vouchers and that they are unable to come close to the market rents that landlords are currently getting. Another commenter said that even though the proposed FMR for their area is higher than the 2022 FMR, the increase appears to lag behind local conditions, driven by landlords who are raising rents to make up for their inability to do so throughout the pandemic. A different commenter said that between 2021 and 2022, for an aggregate national two-bedroom, FMRs lost ground to local markets by eight percentage points. This commenter further expressed that if local 2023 FMRs kept pace with local market rates of change in 2022, those FMRs would remain below rents in their respective markets by a national average of eight percentage points that accrued in 2021.

HUD Response: HUD understands the concerns noted by the commenters and the impact of steadily rising rent prices on everyday Americans. By regulation, HUD targets the 40th percentile of rents within each market. HUD agrees that measuring an accurate rate of rental inflation for recent mover rents is very important. In this Notice, HUD is proposing to use private sources of rent data in calculating the shelter rent inflation rate as described below. HUD is committed to addressing all aspects of the program's operation, including FMR calculation.

FMR Calculation Suggestions

Some commenters recommended that HUD continue its use of private sector rental data in subsequent FMR calculations in the future. Commenters also suggested additional transparency about the use of private data sources when calculating the gross rent inflation adjustment factors. These commenters specifically recommended that HUD publish reports documenting FY2023 FMRs that were adjusted using private sector rental data as well as the geographies and the prior inflation adjustment where the private data are

[1] HUD also calculates and posts 50th percentile rent estimates for the purposes of Success Rate Payment Standards as defined at 24 CFR 982.503(e) (estimates available at: *https://www.huduser.gov/portal/datasets/50per.html*).

[2] See FR–6334–N–01, *https://www.federalregister.gov/documents/2022/07/13/2022-14913/proposed-changes-to-the-methodology-used-for-calculating-fair-market-rents*.

used. Additionally, these commenters recommended that HUD evaluate the accuracy of private sector rental data by comparing them to future American Community Survey (ACS) data to gauge the accuracy of the inflationary factors and trending methodology.

Another commenter suggested that HUD use the approach outlined in PIH Notice 2022–30 as a template to determine eligible FMR areas, while using private-market rental data to quickly identify rapidly changing rental markets on a rolling-basis throughout the year, as opposed to identifying one fixed point in time for the entire year.

One commenter said that the average person cannot understand HUD's methodology for calculating rent and that rents should be based on advertised housing prices. Another commenter stated that the FMR does not consider actual rent prices and requested that HUD abandon their current FMR calculation method. The commenter suggested that HUD calculate FMRs by utilizing the average of the rent posted in the local newspaper for the last two years and adjust that number up for low availability of rental units and stop excluding new construction from the FMR, which makes the voucher number artificially low.

HUD Response: Transparency is important to HUD. The Department maintains an online lookup tool that allows interested parties to view the calculation steps that HUD uses to determine each area's FMR. This includes viewing the shelter inflation rate calculated from private sources of rent data. HUD considers the transparency of each source's methods in evaluating whether to use the data and may make changes from year to year in which sources it uses. HUD also evaluates the data for accuracy, including through retrospective analysis and comparison with other sources of data including the ACS. HUD is committed to tracking the performance of its programs and making changes during the year in response to circumstances, with one significant example of this being PIH Notice 2022–30.

In calculating each area's FMR, HUD uses actual market data on rents paid. Respondents report their actual rent through the ACS. Private sources of rent inflation measure rents directly from properties or through online listing services. These sources are collectively more comprehensive than relying on any single source such as a newspaper.

FMR Payment Standards

Many commenters also supported increasing the payment standard above its current 40th percentile rent limits as a means for voucher holders to access high-opportunity neighborhoods and diminish concentrated poverty. A commenter noted the stringent and cumbersome process for PHAs to apply for success rate payment standards and recommended that HUD reduce the administrative burden imposed on PHAs to meet the stringent requirements considering the uptick of PHAs seeking approval for success rate payment standards. This commenter also suggested that HUD provide PHAs with discretion and flexibility to incorporate the use of 50th percentile rent levels to advance access to a broader range of housing opportunities throughout a metropolitan area. Another commenter suggested that HUD incorporate private-market rental data on a rolling basis for timely or automatic approval of exception payment standards. Another commenter suggested that HUD simplify the process for establishing payment standards between 110 and 120 percent on a permanent basis in recognition of systemic market issues confronting voucher holders.

A commenter encouraged HUD to seek statutory changes to give PHAs additional flexibility in setting payment standards.

HUD Response: HUD extended the period for PHAs to receive expedited waivers of payment standard regulations in PIH Notice 2022–30. This allows for many PHAs to use payment standards of up to 120 percent of FMR in operating the Housing Choice Voucher program through December 31, 2023. HUD will continue monitoring outcomes in the program and determine whether regulatory changes, such as setting the FMR at a higher percentile, publishing FMRs more frequently, or changing success rate payment standard criteria, are appropriate.

Requests for Reevaluations and More Time To Make Requests

Some commenters also objected to HUD's FMR reevaluation process. A commenter stated that HUD's reevaluation process leads to PHAs' maintaining their previous year's FMRs, which tend to be substantially lower than what HUD's proposed FMRs are for the current year. To help PHAs that are in areas with rapidly rising rents, this commenter recommended that HUD allow PHAs or other parties to request that the higher proposed FMRs take effect on the same scheduled effective date as all other FMRs without reevaluations, while the PHA and HUD are undergoing the FMR reevaluation process. Another commenter requested additional funding for FMR reevaluations as rental cost surveys are costly and time-consuming.

A commenter asked that HUD consider extending the January 6, 2023, reevaluation data submission due date to allow sufficient time for localities to conduct a local rent survey in the manner recommended by HUD. This commenter said ordinarily HUD publishes the FMRs in early August, however, this year they were published September 1, but the data due date remained the same. This commenter also stated that the timeframe does not allow for the required procurement processes to obtain an outside survey entity, nor does it really allow for adequate survey time given that mail surveys are now taking anywhere between 2–3 months to allow for printing delays and slowed mail due to staffing and holidays.

A commenter opposed the 2023 FMR as the methodology is not consistent with the demand on rental housing, though that commenter did not expressly request a reevaluation. Another commenter said they were writing to preserve the option to challenge the 2023 FMR for their FMR areas and that they are working on a study that would allow HUD to calculate updated 40th percentile rate calculations.

HUD Response: The deadline of January 6 is intended to allow for revision of FMRs with enough time remaining in the current fiscal year such that the revision is useful and can be taken into account in determining an agency's renewal funding. PHAs may submit data to HUD at any point in the year and are not required to file a comment formally requesting reevaluation of an area's FMR and preventing a new FMR from going into effect in order to submit data. The costs for performing rental market surveys are driven by the market for such services. Congress determines the funding available to PHAs through its annual appropriations and has not allocated specific funds for use in local ad hoc rent surveys. HUD continues to allow the use of administrative fees for such surveys.

Section 8 Voucher Reform Act (SEVRA)

A commenter suggested HUD revise the proposed legislation known as SEVRA, and the commenter noted several concerns regarding HUD's previously proposed FMR statutory amendment including: striking the statutory language from SEVRA requiring HUD to define market areas in areas sufficiently distinct as is necessary to avoid concentration of voucher holders; taking into consideration factors such as the efficient administration of the program by PHAs and the administrative costs of HUD in establishing additional areas; the availability of data for a sufficient number of dwelling units to establish accurate fair market rentals; and the ability of PHAs to adjust the payment standard to more accurately reflect typical rental costs. This commenter also expressed concern about what the commenter said was HUD's proposed FMR statutory amendment to SEVRA that would remove a requirement for HUD to establish procedures to permit a PHA to request the establishment of separate market areas for either all or contiguous parts of the areas under the jurisdiction of such agency.

HUD Response: HUD's annual calculations of FMRs represent the Department's best estimate of an accurate 40th percentile gross rent for recent movers within each market area. In this notice, HUD proposes modifications to its recent mover and inflation adjustments to improve this accuracy. Since FY 2017 HUD has allowed for the use of Small Area FMRs to allow for a wider range of payment standards within metropolitan market areas. HUD monitors the overall success of the Housing Choice Voucher program and recommends legislative or regulatory changes as circumstances dictate.

III. FMR Calculation Methodology Changes

A. Current Methodology

From FY 2012 to FY 2022, HUD's methodology for calculating FMRs consisted of several steps (see: *https://www.huduser.gov/portal/datasets/fmr/fmrs/FY2022_code/select_Geography.odn* for the calculations underlying each FY 2022 FMR). These steps were retained for FY 2023 FMRs but modified as described below. FY 2024 FMRs are proposed to follow the same multistep process, with further modification described subsequently.

1. *Base Rent.* First, HUD establishes a ''base rent'' for two-bedroom units from the 5-year 40th percentile estimates of gross rent from the ACS.

2. *Recent Mover Adjustments.* HUD then adjusts the base rent using a ''recent mover adjustment factor'' that is based on the ratio of the estimate of gross rent paid by recent movers from the 1-year ACS to the estimate of gross rent paid by all renters from the 5-year ACS for the smallest level of geography containing the FMR area that contains statistically reliable 1-year data.

The results of these two steps are estimates of 40th percentile rents for recent movers in two-bedroom units that are ''as of'' the current ACS year.

3. *Inflation Adjustment.* HUD then accounts for inflation from the ACS year by applying a ''gross rent inflation factor,'' which is calculated from the Consumer Price Index (CPI) as produced by the Bureau of Labor Statistics (BLS).

4. *Trend Factor.* Because it calculates FMRs ahead of each fiscal year, HUD provides a further inflation adjustment in the form of a ''trend factor.'' The trend factor represents the expected future level of the gross rent CPI for the upcoming fiscal year compared to the most recent actual gross rent CPI.

5. *State minimum FMRs.* Additionally, HUD calculates state minimum FMRs based on the median FMR for non-metropolitan portions of each state.

6. Bedroom Ratios. HUD calculates FMRs for unit sizes other than two bedrooms by applying ''bedroom ratios'' calculated from the relationships between rents for units of different sizes according to the 5-year ACS.

7. Limit on Decreases. Finally, HUD does not allow an area's FMR to decline by more than 10 percent.

For FY 2023, HUD implemented several changes to its FMR methodology. This was done in part in response to the Census Bureau's decision not to release ACS 2020 1-year data, which HUD would ordinarily have used in FY 2023. HUD retained ACS 2019 1-year data and inflated those estimates using rent inflation factors to synthesize 2020 recent mover adjustment data. These inflation factors consisted of a weighted average of the CPI rent of primary residence series that HUD has traditionally used in FMR calculation, along with additional measures of rent inflation as produced by several private companies for markets where such data were available. HUD produced similar rent inflation factors calculated from CPI rent of primary residence data and private company rent data for the inflation adjustment through 2021 of the synthesized 2020 recent mover-adjusted rents.

B. Proposed Changes

HUD is proposing two material changes to the calculation of FMRs. The first would be a change in the definition of ''recent mover'' as used in the *recent mover adjustment* described in Section A. The second would be to retain and expand the use of rent inflation factors calculated by private sector sources as was first done for FY 2023 FMRs.

C. Definition of Recent Movers

Because the 2021 ACS was not adversely affected by the COVID–19 pandemic in the way the 2020 ACS data collection was, the Census Bureau has released the usual full spectrum of 2021 ACS 1-year tabulations, and HUD does not need to synthesize recent mover adjustment data as in the FY 2023 FMRs. The discussion of the proposed change to the definition of ''Recent Mover'' below is in the context of restored normal data availability.

Prior to the creation of the American Community Survey, HUD relied in part on data collected through the ''long form'' of the decennial Census. This survey measured gross rents paid as of April 1 each year. HUD's definition of recent mover was a household that had moved into their unit in either the current decennial Census year or the year prior. This meant that the maximum length of time for a household to have lived in its current unit and still be considered a recent mover was 15 months.

When it first used ACS estimates in its FMR calculation, HUD retained the same definition of recent mover as a household that had moved into the unit in either the current ACS year or the year prior. However, unlike the decennial Census, the ACS is conducted throughout the year on a rolling basis. This meant that the maximum length of time for a household to have lived in its current unit and still be considered a recent mover was 23 months (for example, in ACS 2021 data, a household might have taken the survey in December 2021 and moved into their unit in January 2020).

To make its recent mover adjustment as reflective of current market conditions as possible, HUD is proposing to consider the rents of households who moved into their unit only in the current ACS year. For ACS 2021, 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.

However, restricting the ACS universe to recent movers limits the sample size supporting the resulting estimates, potentially harming the statistical reliability of those estimates. HUD applies two statistical reliability checks to each ACS 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 would maintain these criteria for the new, single-year definition of recent movers. For areas without an ACS estimate meeting these criteria, HUD would then check the estimate tabulated from two-year recent movers, following its prior methodology.

D. Using Private Sector Rent Data To Update Rent Estimates

HUD has historically updated the latest ACS-based rent estimates with one year of gross rent inflation measured with the 24 local and 4 regional CPI components rent of primary residence and household fuels and utilities, depending on the location of the FMR area. Unlike the gross rent estimates HUD uses from the ACS, the CPI is produced by measuring the change in rents across all types of renters, ranging from households that have recently moved into their unit to those that have lived in their current unit for many years. Recent research has examined the difference between the overall CPI for shelter rent (overall rent CPI) and an alternative CPI constructed using only survey responses from households that are new tenants (new tenant CPI).[3] The research shows that the two indices tracked closely over the period from 2005 to 2020; however, they diverged significantly since then as rent increases for new tenants outpaced overall rent inflation. The research further shows that the new tenant CPI tracks closely with the reported rent inflation as produced by two companies, CoreLogic and Zillow, despite the differences in scope and methodology among the three sources. Finally, the researchers quantify the difference between the new tenant CPI and the overall rent CPI and find that the overall rent CPI lags rent inflation for new tenants by one year.

HUD has replicated the correlation between the new tenant CPI and private sources using the additional private rent data available to the Department and the results confirm that rent inflation factors derived from these data track the new tenant CPI closely. HUD is completing further analysis to determine if the use of rent inflation factors derived from these private data is the best course of action. Additionally, based on the lagged nature of the overall rent CPI, HUD is considering alternatives to including the CPI rent inflation factor alongside the private inflation factors as it did for FY 2023. One option HUD proposes is to calculate a shelter rent inflation factor consisting only of the average of multiple sources of private rent data. Alternatively, HUD could develop a new adjustment procedure for the CPI rent inflation factor based on private inflation factors. HUD proposes to maintain the FY 2023 requirement that an area must be covered by at least three private sources of rent data to use such an average. The average shelter rent inflation factor would be combined with the CPI fuels and utilities subindex to produce an overall gross rent inflation factor. This factor would be applied to the recent mover-adjusted ACS rent as in the *Inflation Adjustment* described in Section A.

Although the data available to HUD would allow it to produce local inflation factors for a large majority of the country by population, not every area is represented individually in the private rent data. In FY 2023, HUD continued its practice of applying a Census Region based CPI rent inflation factor to these areas. For FY 2024, HUD proposes to use a rental unit weighted average of the private inflation factors for these areas, rather than the CPI rent inflation for the region. This would ensure the rent estimates for these areas are not subject to the bias of the lag associated with the CPI rent as described above. As an example of calculating a weighted average, if a given region contained areas A, B, and C with 4,000; 3,000; and 1,000 rental units respectively, and private inflation factors of 10 percent, 5 percent, and 1 percent, the regional inflation factor would be 10% * 0.5 + 5% * 0.375 + 1% * 0.125 = 7 percent.

E. Aspects of FMR Methodology Not Proposed To Be Changed by This Notice

HUD is not proposing any additional changes to the FMR calculation, meaning it would still use the 5-year ACS data to establish the base rent, and use forecasts of gross rent CPI as the trend factor. Similarly, the ''bedroom ratio'' methodology used to produce FMRs for unit sizes other than two bedrooms would remain unchanged.

F. Small Area Fair Market Rents

HUD calculates FMRs for metropolitan areas, which comprise one or more counties (or towns, in the case of New England), and single, non-metropolitan counties. Within metropolitan areas, HUD also publishes Small Area FMRs, which are delineated by ZIP Code and are required for use in the Housing Choice Voucher program in certain metropolitan areas. The proposed changes to FMR calculation would affect Small Area Fair Market Rents (SAFMRs) as well.

Under its current SAFMR methodology, HUD calculates the SAFMR for areas with a statistically reliable ZIP Code-level base rent for 1-, 2-, or 3-bedroom units by adjusting the base rent with the recent mover adjustment factor and gross rent adjustment factor. Therefore, changes to those factors as described above would apply to SAFMRs as well. For areas without statistically reliable 1-, 2-, or 3-bedroom rent estimates, HUD calculates the SAFMR using the ratio of the all-bedroom ZIP Code median rent (or the median rent for the larger county containing the ZIP Code) to the median rent for the FMR area, then multiplies this ratio by the metropolitan area FMR. The proposed changes, by affecting the metropolitan FMR, would affect this step as well.

IV. Request for Public Comment on Changes

HUD is requesting public comment on the proposed changes to the FMR calculation methodology. HUD invites general comments on the appropriateness of changing the definition of recent movers as described above as well as the continued use of private rent data in calculating rent inflation factors. Additionally, HUD invites comments on the following questions:

- Should HUD continue to use overall rent CPI to control for possible selection bias in the private rent inflation data by scaling the local private rent inflation factors, using for example a national statistic like BLS's New Tenant Repeat Rent index currently under development so that the rental-unit weighted average inflation factor would match the national statistic?
- Should HUD adopt additional criteria beyond having at least 3 sources of private rent inflation data, such as a minimum population or rental unit count, to minimize undue volatility in year-to-year changes in private rent inflation factors? Should HUD consider altering the criteria of having at least 3 sources of private rent inflation data?
- For the inflation adjustment (step 3), HUD proposes calculating Census Region-wide rental unit weighted average private inflation factors for areas without a local private factor. Is this the appropriate level of geography, or should HUD consider other weighting procedures such as a nearest neighbor approach?[4]

[3] Adams, Loewenstein, Montag, and Verbrugge. ''Disentangling Rent Index Differences: Data, Methods, and Scope'', 2022.

[4] Under HUD's proposed approach, private inflation factors are given more weight for the regional calculation if area contains more rental units. In the nearest-neighbor alternative, you could assign higher weights to areas that are a closer ''distance'' to the location for which you want to calculate an inflation factor, where ''distance'' could mean geographic proximity or other observable characteristics (for example, similar median incomes).

V. Environmental Impact

This notice proposes changes in the way FMRs are calculated. The establishment and review of Fair Market Rent schedules does 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).

Solomon Greene,

Principal Deputy Assistant Secretary, Office of Policy Development and Research.

[FR Doc. 2023–13395 Filed 6–22–23; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[FWS–R2–ES–2023–N032; FXES11160200000–234–FF02ENEH00]

Candidate Conservation Agreement With Assurances for the Texas Pimpleback (Cyclonaias petrina), Texas Fawnsfoot (Truncilla macrodon), Texas Fatmucket (Lampsilis bracteata), and Balcones Spike (Fusconaia iheringi) in the Lower Colorado River Basin Below O.H. Ivie Reservoir

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Notice of availability; request for public comments.

SUMMARY: This notice advises the public that the Lower Colorado River Authority (LCRA) and Lower Colorado River Authority Transmission Services Corporation (LCRA TSC), have applied for an enhancement of survival (EOS) permit supported by the *Candidate Conservation Agreement with Assurances for the Texas pimpleback (Cyclonaias petrina), Texas fawnsfoot (Truncilla macrodon), Texas fatmucket (Lampsilis bracteata), and Balcones spike (Fusconaia iheringi) in the Lower Colorado River Basin below O.H. Ivie Reservoir* (CCAA). LCRA is a conservation and reclamation district in the State of Texas that provides multiple services in the Colorado River basin, including managing water supplies, managing floods along the Highland Lakes, producing and delivering power, managing parks and recreation areas, and supporting community development. LCRA TSC is a nonprofit corporation conducting electric transmission operations within Texas. They own and operate 5,500 circuit miles of electric transmission lines and maintain and operate equipment at approximately 430 electric substations across the state. The requested EOS permit, if approved, would authorize incidental take of four proposed freshwater mussel species, Texas pimpleback, Texas fawnsfoot, Texas fatmucket, and Balcones spike resulting from activities covered by the CCAA, including freshwater mussel conservation actions, operations, inspections, repairs, construction, and maintenance activities in the Colorado River basin in Texas. We have made a preliminary determination that the CCAA is eligible for categorical exclusion under the National Environmental Policy Act (NEPA). The basis for this determination is contained in a draft NEPA screening form to support the use of a categorical exclusion under NEPA, which evaluates the impacts of EOS permit issuance and implementation of the proposed CCAA. The documents available for comment include the NEPA screening form, the CCAA, and the EOS permit application.

DATES: We will accept comments received on or before July 24, 2023.

ADDRESSES: *Accessing Documents:*

Internet: The NEPA screening form, CCAA, and EOS permit application: You may obtain electronic copies of these documents on the Service's website at *https://www.fws.gov/office/austin-ecological-services/news.*

U.S. Mail: You may obtain the documents at the following addresses. In your request for documents, please reference Lower Colorado River Authority CCAA.

- *NEPA screening form and CCAA:* A limited number of CD–ROM and printed copies of the NEPA screening form and CCAA are available, by request, from Karen Myers, Field Supervisor, Austin Ecological Services Field Office, Austin, TX, 78754, telephone 512–937–7371.
- *EOS permit application:* The EOS permit application is available by mail from the Regional Director, U.S. Fish and Wildlife Service, P.O. Box 1306, Room 6034, Albuquerque, NM 87103, Attention: Environmental Review Branch.

Submitting Comments: Regarding any of the documents available for review, you may submit written comments by one of the following methods. In your comments, please reference the Lower Colorado River Authority CCAA.

- *Email:* Submit comments to *karen_myers@fws.gov.*
- *U.S. Mail:* Karen Myers, Field Supervisor, Austin Ecological Services Field Office, 1505 Ferguson Lane, Austin, TX 78754.

We request that you send comments by only one of the methods described above.

FOR FURTHER INFORMATION CONTACT: Karen Myers, Field Supervisor, by mail at U.S. Fish and Wildlife Service, 1505 Ferguson Lane, Austin, TX 78754; via phone at 512–937–7371. Individuals in the United States who are deaf, deafblind, hard of hearing, or have a speech disability may dial 711 (TTY, TDD, or TeleBraille) to access telecommunications relay services. Individuals outside the United States should use the relay services offered within their country to make international calls to the point-of-contact in the United States.

SUPPLEMENTARY INFORMATION: We, the U.S. Fish and Wildlife Service (Service), announce the availability of a draft screening form supporting a categorical exclusion, under the National Environmental Policy Act of 1969 (NEPA; 42 U.S.C. 4321 *et seq.*), that evaluates the impacts of implementation of the proposed *Candidate Conservation Agreement with Assurances for the Texas pimpleback (Cyclonaias petrina), Texas fawnsfoot (Truncilla macrodon), Texas fatmucket (Lampsilis bracteata), and Balcones spike (Fusconaia iheringi) in the Lower Colorado River Basin below O.H. Ivie Reservoir* (CCAA) and issuance of an associated enhancement of survival (EOS) permit under section 10(a)(1)(A) of the Endangered Species Act of 1973, as amended (ESA; 16 U.S.C. 1531 *et seq.*) to the Lower Colorado River Authority (LCRA) and Lower Colorado River Authority Transmission Services Corporation (LCRA TSC).

This notice advises the public that we, the Service, have gathered the information necessary to determine effects of the proposed CCAA and the associated EOS permit on the four Texas mussels. We are accepting comments on the proposed CCAA, NEPA screening form, and the EOS permit application.

Background

Section 9 of the Endangered Species Act (ESA; 16 U.S.C. 1531 *et seq.*) and its implementing regulations prohibit the "take" of animal species listed as endangered or threatened. Take is defined under the ESA as to "harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, or collect listed animal species, or to attempt to engage in such conduct" (16 U.S.C. 1538). However, under section 10(a) of the ESA, in accordance with our CCAA policy (81 FR 95164) we may issue permits for the enhancement of survival (EOS) of candidate species. "Incidental take" is