

November 18, 2016

Issue 16-45

Notes From Inside The Beltway

Washington

OMB Clears Small Area FMR Rule: The final rule to implement small area Fair Market Rents on a limited basis clears Office of Management & Budget review. The move puts the finishing touches on HUD's effort to amend Fair Market Rent regulations for the Section 8 housing voucher program. The change is designed to enlarge voucher amounts to meet the average rent in a high-cost area of a city or region. Before the change, single rent averages were determined on a statistical area-wide basis or metropolitan region. Now, FMRs will reflect rent averages in single ZIP codes. If a voucher holder locates an apartment where the rent is considerably higher than the voucher allows, HUD can boost the voucher value to reflect the higher rent. HUD's objective is to allow poor families the resources to live in a region's most affluent areas to take advantage of employment and educational opportunities. Conversely, HUD has given itself the authority to pare rents in lower-cost areas, thereby stripping many voucher holders of their ability to meet higher rents with their own resources. **Info:** See the final rule at www.cdpublications.com/docs/9032