

HB-449

Rule Idea:

To establish lodging, rent, or housing values to use when lodging, rent, or housing constitutes part of the employee’s remuneration that address general geographic proximity to available housing and other reasonable factors. The Department proposes to adopt Fair Market Rent Standards (FMRs) developed by the US Department of Housing and Urban Development (HUD).

The FMRs are determined for each Montana County and represent rent values distribution of standard-quality rental housing. FMRs are adjusted based on number of bedrooms and the county where housing is located.

The U.S. Department of Housing and Urban Development (HUD) annually estimates Fair Market Rent Standards (FMRs) for 530 metropolitan areas and 2,045 nonmetropolitan county FMR areas. The HUD uses the most accurate and current data available to develop the FMRs. The FMRs are gross rent estimates. Three data sources are used:

- (1) *The Decennial Census* provides statistically reliable rent data for use in establishing base year FMRs. The 2000 Census data were first used for the FY2005 FMRs.
- (2) The *American Community Surveys (ACS)* collects decennial census long-form style data. The first full implementation of the ACS was in 2005, and was used in the FY2008 FMRs. The 2005 ACS can, in some cases, provide a new basis for 2005, or, for most cases, be used to update the 2000 Census base FMR to 2005. It is likely that ACS data will be used more extensively when the estimates using 3-yr and 5-yr average data for smaller census areas are published.
- (3) *Random digit dialing (RDD) telephone surveys* are based on a sampling procedure that uses computers to select statistically random samples of telephone numbers, dial and keep track of them, and tabulate the responses to the calls. RDD surveys are conducted in a limited number of areas each year to assess housing market conditions.

The level at which FMRs are set is expressed as a percentile point within the rent distribution of standard-quality rental housing. The dollar amount below which 40 percent of the standard-quality rental housing units are rented becomes the FMRs. HUD annually estimates FMRs for 530 metropolitan areas and 2,045 nonmetropolitan county FMR areas.

FMRs values for premium calculations must be the FMRs adopted for the county in which the employer provides the lodging, rent, or housing. For employees living in a flophouse, bunkhouse, group home or shared housing the value is the zero bedroom FMRs. A bedroom is a room primarily used for sleeping.

The FMRs are discounted 50% for employers in agriculture who provide permanent regular housing.

Seasonal or temporary employee housing valued at 100% of the FMRs.

Final FY2018 Montana FMR Local Area Summary					
Locality Name	Zero-Bedroom	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
<a href="#">Beaverhead County</a>	\$493	\$567	\$697	\$935	\$1,228
<a href="#">Big Horn County</a>	\$530	\$564	\$750	\$949	\$1,128
<a href="#">Blaine County</a>	\$493	\$607	\$697	\$889	\$949
<a href="#">Broadwater County</a>	\$568	\$605	\$804	\$1,008	\$1,333
<a href="#">Carbon County</a>	\$597	\$708	\$936	\$1,308	\$1,594
<a href="#">Carter County</a>	\$493	\$550	\$697	\$976	\$1,155
<a href="#">Cascade County</a>	\$564	\$568	\$755	\$1,058	\$1,304
<a href="#">Chouteau County</a>	\$493	\$586	\$697	\$943	\$949
<a href="#">Custer County</a>	\$493	\$548	\$697	\$997	\$1,000

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<a href="#">Daniels County</a>	\$496	\$553	\$701	\$1,020	\$1,162
<a href="#">Dawson County</a>	\$493	\$607	\$697	\$874	\$1,054
<a href="#">Deer Lodge County</a>	\$493	\$607	\$697	\$947	\$1,228
<a href="#">Fallon County</a>	\$493	\$607	\$697	\$954	\$1,155
<a href="#">Fergus County</a>	\$545	\$594	\$771	\$967	\$1,278
<a href="#">Flathead County</a>	\$564	\$668	\$835	\$1,215	\$1,401
<a href="#">Gallatin County</a>	\$651	\$715	\$928	\$1,347	\$1,634
<a href="#">Garfield County</a>	\$493	\$550	\$697	\$925	\$1,155
<a href="#">Glacier County</a>	\$535	\$545	\$697	\$874	\$1,024
<a href="#">Golden Valley County</a>	\$596	\$707	\$935	\$1,306	\$1,591
<a href="#">Granite County</a>	\$534	\$568	\$756	\$948	\$1,253
<a href="#">Hill County</a>	\$544	\$548	\$697	\$905	\$1,130
<a href="#">Jefferson County</a>	\$638	\$679	\$903	\$1,132	\$1,497
<a href="#">Judith Basin County</a>	\$493	\$607	\$697	\$945	\$1,155
<a href="#">Lake County</a>	\$489	\$650	\$752	\$1,048	\$1,153
<a href="#">Lewis and Clark County</a>	\$594	\$700	\$889	\$1,293	\$1,531
<a href="#">Liberty County</a>	\$546	\$550	\$697	\$976	\$1,155
<a href="#">Lincoln County</a>	\$493	\$566	\$697	\$920	\$1,228
<a href="#">Madison County</a>	\$690	\$710	\$815	\$1,029	\$1,110
<a href="#">McCone County</a>	\$493	\$550	\$697	\$874	\$1,155
<a href="#">Meagher County</a>	\$507	\$566	\$717	\$1,024	\$1,189
<a href="#">Mineral County</a>	\$493	\$550	\$697	\$1,014	\$1,155
<a href="#">Missoula County</a>	\$662	\$735	\$925	\$1,346	\$1,629
<a href="#">Musselshell County</a>	\$540	\$620	\$824	\$1,033	\$1,366
<a href="#">Park County</a>	\$575	\$677	\$901	\$1,133	\$1,494
<a href="#">Petroleum County</a>	\$568	\$634	\$804	\$1,126	\$1,333
<a href="#">Phillips County</a>	\$493	\$550	\$697	\$976	\$1,228
<a href="#">Pondera County</a>	\$493	\$607	\$697	\$1,014	\$1,228
<a href="#">Powder River County</a>	\$497	\$529	\$703	\$881	\$1,165
<a href="#">Powell County</a>	\$493	\$607	\$697	\$1,014	\$1,155
<a href="#">Prairie County</a>	\$493	\$550	\$697	\$976	\$1,155
<a href="#">Ravalli County</a>	\$552	\$587	\$781	\$1,123	\$1,357
<a href="#">Richland County</a>	\$585	\$652	\$827	\$1,037	\$1,457
<a href="#">Roosevelt County</a>	\$493	\$534	\$697	\$963	\$1,007
<a href="#">Rosebud County</a>	\$493	\$607	\$697	\$885	\$1,083
<a href="#">Sanders County</a>	\$526	\$574	\$697	\$901	\$1,089
<a href="#">Sheridan County</a>	\$493	\$607	\$697	\$904	\$1,086
<a href="#">Silver Bow County</a>	\$581	\$629	\$783	\$982	\$1,066
<a href="#">Stillwater County</a>	\$517	\$569	\$732	\$1,057	\$1,286
<a href="#">Sweet Grass County</a>	\$553	\$617	\$782	\$1,101	\$1,296
<a href="#">Teton County</a>	\$485	\$572	\$761	\$954	\$1,340
<a href="#">Toole County</a>	\$493	\$607	\$697	\$952	\$1,228
<a href="#">Treasure County</a>	\$568	\$634	\$803	\$1,125	\$1,331
<a href="#">Valley County</a>	\$493	\$561	\$697	\$874	\$949
<a href="#">Wheatland County</a>	\$493	\$550	\$697	\$976	\$1,155
<a href="#">Wibaux County</a>	\$568	\$634	\$804	\$1,126	\$1,333
<a href="#">Yellowstone County</a>	\$597	\$708	\$936	\$1,308	\$1,594

Example:

Beaverhead County

Housing is a 2-bedroom house provided in Lima, MT. by an employer in agriculture. The HUD FMRs for this housing is \$697. The administrative value of that housing is set at \$349.

If only one bedroom is primarily used for sleeping, the HUD FMRs for the house is based on one-bedroom, \$567. The administrative value of this house becomes \$284.

Gallatin County

Housing is a four-bedroom house shared by four employees provided in Big Sky, MT during the ski season by an employer in the travel/tourism industry. The HUD FMRs for this house is \$1634. The Administrative value is the zero bedroom value, \$651.

Yellowstone County

Housing is a three-bedroom house provided in Billings MT. by an employer in the healthcare industry. The HUD FMRs for this housing is \$1,308. The administrative value of that housing is set at \$1,308.

Rosebud County

Housing is a four-bedroom house provided near Forsyth MT. by an employer in agriculture. The HUD FMRs for this housing is \$1,083. The administrative value of that housing is set at \$542. However, only two of the four bedrooms are primarily used for sleeping. The administrative value of that house becomes \$349.