

OFFICE OF PUBLIC & INDIAN HOUSING

May 10, 2023

Dear PHA Executive Directors,

It is my pleasure to share that HUD published the National Standards for the Physical Inspection of Real Estate (or "NSPIRE") Final Rule today. It is one of several recent milestones in HUD's five-year effort to improve and standardize physical inspections that put an emphasis on resident health and safety. The rule proposes a new approach to defining and assessing housing quality and reduces regulatory burden. *Read the Final Rule in the Federal Register here.* NSPIRE is transforming how the Department manages the quality of affordable housing units by providing stronger standards, better inspections, and greater insights that will result in healthier and safer homes for residents. In addition to the final rule, HUD will publish three companion notices: the Scoring, Standards and Administrative Notices.

Thank you to those who submitted comments to the proposed rule published on January 13, 2021; volunteered as an NSPIRE Demo or pilot property; and engaged in discussion as part of the 16 NSPIRE Get Ready sessions, held in 15 cities nationwide from Providence to Honolulu.

About the NSPIRE Final Rule

The final NSPIRE rule makes changes to inspections in response to public comments. These include:

- New Self-Inspection Requirement and Report. PHAs and Owners will be required to conduct self-inspections of all units at least annually and correct all identified deficiencies. If the property scores under 60, these reports must be provided to HUD. Records related to the self-inspection should be maintained for three years.
- **Timeline for Deficiency Correction.** HUD clarifies the timeline for the correction of health or safety deficiencies. For life-threatening and severe deficiencies, the PHA or Owner must correct the deficiency within 24 hours after the inspection report is received, and upload evidence of that correction within 72 hours to HUD.
- New Affirmative Requirements. HUD developed new "affirmative standards" for all units that participate in HUD's rental assistance programs. These include basic requirements for habitability like kitchens and flushable toilets but also important safety concerns like Ground Fault Circuit Interrupter (GFCI) outlets, a permanent heating source, and safe drinking water.
- **Tenant Involvement.** HUD will allow tenants to make recommendations regarding units to be inspected. HUD will require that the PHA or Owner correct all identified deficiencies within established timeframes and provide inspection results to residents.

NSPIRE improves HUD oversight through the alignment and consolidation of the inspection regulations used to evaluate HUD housing across multiple programs. Additional changes include the following:

- HUD Committing to Reviewing Standards at Least Every 3 Years
- Retaining 3-2-1 Rule
- Changes to Deficiency Categories: Life-threatening, Severe, Moderate, Low (New)
- Post-Inspection Report (New)
- Smoke Detector and Carbon Monoxide Alarms Requirement
- Removal of the Occupancy Requirement Related to Children of the Opposite Sex
- Elimination of Cosmetic Deficiencies

For more information about the changes under the Final Rule, read the <u>press release</u> or the <u>full rule</u>.

Effective Dates for NSPIRE Implementation

The rule has distinct effective dates for the start of physical inspections using the NSPIRE Standards.

- July 1, 2023 Public Housing Inspections Begin
- **October 1, 2023** Housing Choice Voucher, Project-based Vouchers and Multifamily Housing Inspections Begin

Helping PHAs Implement NSPIRE

HUD is developing training that will include a combination of PowerPoint presentations, infographics and <u>instructional videos that will be posted on the <u>NSPIRE website</u>. We recently posted the <u>NSPIRE Score calculator demo video</u> and are planning to post similar types of resources as part of the NSPIRE implementation. Additional training will be available later this month. For more information on NSPIRE, visit the <u>NSPIRE Resources page</u> and view YouTube recordings of the NSPIRE Get Ready sessions in <u>English</u> and in <u>Spanish</u>. Questions about NSPIRE can be sent to <u>NSPIRE@hud.gov</u>.</u>

The ultimate impact of NSPIRE rests with all of us. We all have a role to play to ensure residents live in safe homes. The Department will continually implement and refine NSPIRE. We thank you for your continued diligence and partnership as we all reshape and strengthen our work to better the lives of the families we serve each day.

Many thanks,

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Dominique Blom General Deputy Assistant Secretary Office of Public and Indian Housing