

OFFICE OF PUBLIC & INDIAN HOUSING

October 2, 2023

Dear PHA Executive Directors:

On Friday, September 29, 2023, HUD published Notice PIH 2023-28, the Administrative Notice for NSPIRE for Housing Choice Voucher (HCV) and Project-Based Voucher (PBV) programs. The notice details the administrative procedures of NSPIRE for HCV and PBV programs, as well as the Section 8 Moderate Rehabilitation (Mod Rehab) program, and replaces Housing Quality Standards (HQS) as the inspection standards for these programs. Additionally, as recently announced in the Federal Register, HUD extended the NSPIRE compliance date for HCV and PBV programs until October 1, 2024.

The notice:

- Affirms NSPIRE's extended compliance date of October 1, 2024, for HCV and PBV programs;
- Advises PHAs to update their inspection standards to NSPIRE as soon as possible, but before the compliance date of October 1, 2024;
- Provides instructions to PHAs on how to notify HUD of their implementation plans;
- Provides instructions to PHAs with HUD-approved alternative inspection methods and variations on how to request a new review;
- Provides additional information about carbon monoxide risks and statutory requirements.

Extended Compliance Date and Notification to HUD

The NSPIRE final rule is still effective as of October 1, 2023, but HUD has extended the compliance date for HCV and PBV programs to October 1, 2024. While compliance is not required before that date, HUD encourages any PHA that is ready to implement NSPIRE to do so as soon as possible. PHAs must add a check for carbon monoxide devices in units that have fuel-burning appliances and/or an attached garage. PHAs do not need to request approval from HUD to continue performing inspections based on the previous HQS protocols but are asked to notify HUD of their implementation plans.

NSPIRE Differences for HCV and PBV from PHA and Multifamily Programs

 Inspectable Areas: The inspectable areas for HCV, PBV, and the Mod Rehab programs did not change with NSPIRE, and include the units occupied or to be occupied by program participants, and common areas and exterior areas that either service or are associated with such units. Inspectors will also examine the means of egress and building systems that service the assisted unit(s).

- NSPIRE Standards: While many HQS items were adopted under NSPIRE, the focus
 of NSPIRE is on the condition of dwelling units and prioritizing the health and safety
 of residents.
 - A major change between NSPIRE and HQS is that the NSPIRE final rule removed the "Site and Neighborhood" requirement for HCV.
 - Checklist for PHAs Implementing NSPIRE: HUD is making an optional checklist as an <u>Excel</u> and <u>PDF</u> document <u>available here</u> to PHAs that implement NSPIRE anytime on or after October 1, 2023.
 - HUD will publish a free, mobile inspection app available on its website in 2024 to use for HCV and PBV inspections.
 - NSPIRE did not revise 24 CFR 982.406, which includes an allowance for PHAs to use inspections performed under the LIHTC or HOME programs.
- **Timelines for Correcting Deficiencies:** HUD has aligned NSPIRE with the Housing Opportunity Through Modernization Act (HOTMA) and for the HCV programs:
 - Life-Threatening deficiencies must be corrected within 24 hours after such notice has been provided.
 - All other non-life-threatening deficiencies, known as Severe and Moderate, must be corrected within 30 days (or a PHA-approved extension) after such notice has been provided.
- **Retention of Pass/Fail:** The NSPIRE Scoring Notice does not apply to the programs covered in this notice.
 - HCV, PBV, and Mod Rehab inspections are not numerically scored, and NSPIRE retains pass/fail indicators. Each NSPIRE standard is labeled as pass or fail depending on the deficiency.
- Exemption from Self-Inspection: Landlords participating in HCV, PBV, and Section 8 Mod Rehab programs are exempt from any self-inspection requirements.

Extended Compliance Date and Notification to HUD

In addition to this Administrative notice, HUD published a <u>Federal Register notice</u> on September 28, 2023, extending the compliance date for NSPIRE for HCV and PBV programs until October 1, 2024.

- PHAs may continue using HQS, or other HUD-approved inspection methods as their inspection standards for up to one year, or until October 1, 2024.
- PHAs are highly encouraged to implement NSPIRE as soon as feasible after October 1, 2023, but must be in compliance with NSPIRE Standards no later than October 1, 2024.
- The notice provides instructions for PHAs that choose to either use HQS for up to one year or to implement NSPIRE after October 1, 2023. This decision does not

need HUD approval, but PHAs are asked to notify HUD of their implementation plans.

Background

HUD published the <u>final NSPIRE rule</u> on May 11, 2023, that made changes to inspections for the Public Housing and Multifamily Housing programs. The final rule was followed by the NSPIRE companion publications of the <u>final Standards Notice</u> on June 22, 2023, the <u>Administrative Notice</u> on June 30, 2023, and the July 7, 2023, publication of the <u>final Scoring Notice</u>.

Helping PHAs Implement NSPIRE

HUD has developed training that includes a combination of PowerPoint presentations, infographics as well as <u>instructional videos</u> that are posted on the <u>NSPIRE website</u>. For more information on NSPIRE, visit the <u>NSPIRE homepage</u>. Questions can be sent to <u>NSPIRE@hud.gov</u>.

Together we ensure HUD residents live in safe homes. We thank you for your continued diligence and partnership as we strengthen our work to improve the lives of the families we serve each day.

Thanks for all that you do,

Ashley Leia Sheriff

Deputy Assistant Secretary

Real Estate Assessment Center

We hope you enjoy receiving these messages from HUD's Office of Public and Indian Housing.

Public Housing Agency contact information is retrieved from HUD's Public Housing Information Center (PIC). If your agency's contact information is out of date, please update PIC with the correct contact information. We update our email lists from PIC twice a month, so you should see your change reflected after two weeks.

Thank you for furthering HUD's mission in the communities you serve.