



April 8, 2025

Ben Hobbs
Principal Deputy Assistant Secretary
Office of Public and Indian Housing
U.S. Department of Housing and Urban Development

Subject: Request for Continued Deferral of Compliance with the National Standards for the Physical Inspection of Real Estate (NSPIRE) in the Housing Choice Voucher (HCV) Program

Dear Mr. Hobbs,

PHADA, CLPHA, NAHRO, and the MTW Collaborative represent nearly all public housing authorities (PHAs) across the nation. Our organizations have all recently met with members from small, medium, and large PHAs that have expressed serious concerns related to the implementation of NSPIRE inspection standards in HCV programs. Our members' primary concern is associated with the potential for significant loss of participating landlords due to having to comply with new NSPIRE standards.

Agencies understand and take seriously the importance of the inspection process and related standards to ensure housing quality through the prioritization of the health and safety of residents. However, implementation of the new NSPIRE standards will require some additional costs to landlords. For example, new requirements related to "Electrical—GFCI or AFCI—Outlet or Breaker," "Door – Fire Labeled," and "Infestation" standards, will increase costs to landlords. Added costs will likely result in landlords leaving the HCV program; this loss of landlords, in turn, would result in less housing choice for households participating in the voucher program.

In fact, HUD shares its own concerns related to landlord participation in the HCV program. HUD's 2023 briefing on "Boosting Landlord Voucher Acceptance" by the Office of Policy Development and Research (PD&R) stated that 51 percent of landlords' stated motivation for non-participation was "any inspection issues," including costs associated with repairs and time associated with inspections.¹ Further, PD&R's research cites a loss of 5,000 owners annually between 2010 and 2020 in the HCV program.²

Currently, the majority of PHAs face either shortfall or offsets to their reserves due to volatile housing markets. Given this environment, PHAs are already very concerned that some voucher households could lose their assistance. Agencies fear that these trends will be further exacerbated by the added costs necessary for the implementation of NSPIRE for HCV. This existing uncertainty, combined with the added burden on agencies and landlords to implement NSPIRE by October 1, 2025, undermines PHAs' ability to serve families, adversely impacts available units, decreases utilization, and could result in serious adverse impacts.

Other concerns of PHAs include additional costs to landlords due to unfunded mandates, staff capacity issues, and the current budgetary environment of insufficient funding for Administrative Fees. With these existing headwinds, it may benefit some agencies to delay rollout until rental volatilities ease. We are aware

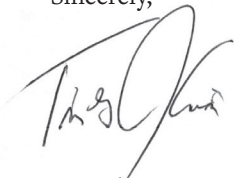
¹ A Briefing from HUD on Boosting Landlord Voucher Acceptance, Bipartisan Policy Center.
² Reforming the Inspection Process.

that approximately 100 agencies have implemented NSPIRE in their HCV programs and report some positive results. We want to make sure that all agencies are in a place to successfully implement NSPIRE-V with minimal impact on their landlords and residents.

Given these realities, our organizations urge the Department to continue to allow voluntary compliance with NSPIRE in the HCV program and delay the required compliance date until October 1, 2026. While the requirement to comply would be delayed, any PHA would have the opportunity to voluntarily implement NSPIRE at their own discretion, depending on their agency's staff capacity and budgetary constraints. Further, a delay would provide HUD with additional time to deliver more comprehensive resources for agencies, including notification templates, toolkits, Chapter 10 of the HCV Guidebook, and other helpful resources, and provide additional time for landlords to prepare for the transition.

We look forward to speaking with you on this topic in greater detail.

Sincerely,



Timothy G. Kaiser
Executive Director
PHADA



Mark Thiele
CEO
NAHRO



Sunia Zatterman
Executive Director
CLPHA



Josh Meehan
President
MTW Collaborative