



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-6086-N-11]

Economic Growth Regulatory Relief and Consumer Protection Act: Implementation of National Standards for the Physical Inspection of Real Estate (NSPIRE); Extension of NSPIRE Compliance Date for CPD Programs

AGENCY: Office of Community Planning and Development, U.S. Department of Housing and Urban Development (HUD).

ACTION: Notice.

SUMMARY: This notice further extends the compliance date for HUD’s National Standards for the Physical Inspection of Real Estate (NSPIRE) final rule for Community Planning and Development (CPD) programs. Specifically, the Department is extending the compliance date for the Emergency Solutions Grants (ESG), Continuum of Care (CoC) HOME Investment Partnerships Program (HOME), and Housing Trust Fund (HTF) programs (“CPD programs”), until October 1, 2026. HUD is taking this action to allow recipients and grantees additional time to implement the Department’s NSPIRE standards.

DATES: *Compliance Date:* Recipients and grantees subject to 24 CFR parts 92, 93, 576, and 578 are not required to comply with the changes to these parts in the NSPIRE final rule until October 1, 2026.

FOR FURTHER INFORMATION CONTACT: For the ESG and CoC programs: Norm Suchar, Director, for the Office of Special Needs Assistance Programs (SNAPs), Room 7262, Department of Housing and Urban Development, 451 Seventh Street SW, Washington, DC 20410-7000; telephone (202) 708-5015, (this is not a toll-free number).

For the HOME and HTF programs: Peter Huber, Acting Director, for the Office of Affordable Housing Programs (OAHP), Room 7160, Department of Housing and Urban Development, 451 Seventh Street SW, Washington, DC, 20410-7000; telephone (202) 402-3941 (this is not a toll-free number).

HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech or communication disabilities. To learn more about how to make an accessible telephone call, please visit:

<https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs>.

SUPPLEMENTARY INFORMATION:

I. Background

For CPD programs, the NSPIRE final rule included amendments to 24 CFR parts 92, 93, 576, and 578 to conform their various inspection requirements to NSPIRE and established an effective date for these amendments of October 1, 2023. In September 2023, the Department delayed the compliance date for CPD programs (88 FR 63971) and for the Housing Choice Voucher and Project-Based Voucher programs (88 FR 66882) until October 1, 2024, to allow Public Housing Agencies (PHA), jurisdictions, participants, and HUD grantees additional time for implementation. In July 2024, the Department again delayed the compliance date for CPD programs until October 1, 2025, to allow PHAs, jurisdictions, participants, and HUD grantees additional time for implementation (89 FR 55645).

II. Basis for Delay of Compliance Date

Through this notice, the Department further delays the compliance date for CPD programs until October 1, 2026. HUD encourages any recipients and grantees that are ready to implement NSPIRE to do so at their earliest convenience. However, the Department has determined that some types of units funded under the CoC and ESG programs may not meet certain requirements of the NSPIRE standards as they are applied to other HUD programs. Previously stated in the last compliance date extension for CPD programs, the Department intends to publish standards specific to each of these programs before the compliance date. These notices have not yet been published, and it will be a challenge for grantees to revise their inspection procedures in time. HUD seeks to ensure that all unit types currently funded by the

CoC and ESG programs can meet the NSPIRE Standards for the ESG and CoC Programs when they are published.

In addition, the NSPIRE final rule provides that the Department will publish lists of specific deficiencies in a *Federal Register* notice that must be corrected before HOME or HTF project completion or during the period of affordability for occupied units. Participating jurisdictions and HTF grantees must develop rehabilitation and ongoing property standards, as well as policies and procedures that incorporate these specific deficiencies, applicable requirements in the NSPIRE final rule, other applicable requirements in the HOME and HTF regulations, and state and local codes and requirements. The *Federal Register* notice will not be published by October 1, 2025, and participating jurisdictions and HTF grantees are not able to update property standards and policies and procedures in accordance with the NSPIRE final rule until HUD publishes the lists of specific deficiencies for HOME and HTF in the *Federal Register*. The Department intends to publish the notice before the compliance date and to provide a reasonable timeframe for implementation.

III. Instructions for CoC and ESG Programs

Nothing in this extension of the compliance date prevents CoC and ESG recipients, or subrecipients, from using NSPIRE standards before October 1, 2026. Those that choose to implement NSPIRE standards prior to October 1, 2026, must document the chosen compliance date in program records. Those that have adopted the standards established at 88 FR 40832 must continue to follow those standards. Those that wish to follow the former program requirements may do so until the new compliance date. However, when HUD issues the standards specific to the ESG and CoC programs, all grantees and recipients will be expected to prepare for the compliance date by updating their policies and procedures to reflect the program-specific standards.

CoC and ESG recipients who will implement NSPIRE prior to the new compliance date of October 1, 2026, must document the chosen compliance date in program records. Nothing in

this extension of the compliance date prevents CoC and ESG recipients from using NSPIRE standards prior to October 1, 2026. The Department also intends to publish, through a *Federal Register* notice, guidance on which NSPIRE standards apply to CoC, ESG, HOME and HTF programs.

HUD-assisted rental housing is required to comply with Federal Fire Safety Act of 1992 which requires smoke alarms installed in accordance with the National Fire Protection Association Standard 72, or any successor standard thereto.

IV. Instructions for HOME and HTF Programs

Participating jurisdictions and HTF grantees should prepare for the compliance date by updating property standard regulatory citations and requirements in written agreement templates with State recipients, subrecipients, and project owners, as required by 24 CFR 92.504(c) and 24 CFR 93.404(c). However, nothing in this extension of the compliance date prevents participating jurisdictions and HTF grantees from implementing the NSPIRE final rule immediately. Participating jurisdictions and HTF grantees that intend to comply with the changes in the NSPIRE final rule as of the effective date should review the deficiencies established in the NSPIRE Standards notice at 88 FR 40832 and compare these requirements to their existing rehabilitation and property standards and their inspection procedures and checklists. While the Department intends to publish a subset of the deficiencies in the NSPIRE Standards that are applicable to HOME and HTF projects, participating jurisdictions and HTF grantees that implement the changes in the NSPIRE final rule before publication of the subset of deficiencies for HOME and HTF must implement the full set of deficiencies in the NSPIRE Standards in their rehabilitation and ongoing property standards and policies and procedures. Further, participating jurisdictions and HTF grantees may not implement the changes in the NSPIRE final rule until such rehabilitation and ongoing property standards and policies and procedures are updated consistent with NSPIRE.

In addition, participating jurisdictions and HTF grantees cannot impose new requirements resulting from updated regulations on project owners unless the written agreements with owners for the funds permit the participating jurisdiction or HTF grantee to do so. Consequently, participating jurisdictions or HTF grantees must determine whether the requirements applied in the written agreements that are fully executed before the effective date of the NSPIRE final rule are automatically updated when regulatory changes take effect or if such agreements must be amended to apply the new or updated requirements. This is an important consideration when participating jurisdictions or HTF grantees would like to apply the NSPIRE final rule rehabilitation and ongoing HOME or HTF property standard requirements to projects with commitments made prior to the effective date of the NSPIRE final rule and for HOME or HTF projects that are jointly funded by another HUD program with an earlier NSPIRE final rule effective date.

V. Conclusion

Accordingly, the Department revises the October 1, 2025, compliance date for the changes made to 24 CFR parts 92, 93, 576, and 578 to October 1, 2026, at which time recipients subject to these parts must comply with the NSPIRE final rule. Until October 1, 2026, recipients and grantees subject to these parts may instead choose to comply with these parts as they existed prior to October 1, 2023.

Bryan W. Horn,
Acting Principal Deputy Assistant Secretary
for Community Planning and Development.