

Supporting Statement for Paperwork Reduction Act Submissions HUD National Standards for the Physical Inspection of Real Estate (NSPIRE) Information Collection 2755-New

A. Justification

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

The purpose of the National Standards for the Physical Inspection of Real Estate (NSPIRE) is to strengthen HUD's physical condition standards and improve HUD's oversight of housing through the alignment and consolidation of the inspection regulations used to evaluate HUD housing, as defined in 24 CFR 5.701(c). As published in the final NSPIRE rule at 24 CFR part 5, subpart G, the NSPIRE inspection model, regulations, and requirements ensure the residents of HUD housing live in safe, habitable dwellings, and the items and components located inside, outside, and within the units of HUD housing are functionally adequate, operable, and free of health and safety hazards.

All HUD housing as defined in 24 CFR 5.701(c) are to adhere to NSPIRE inspection regulations, requirement, procedures, and timeframes. This NSPIRE information collection includes the following:

- Tenant Involvement in inspections as codified in 24 CFR 5.705(f), under 24 CFR 5.705 *Inspection Requirements*
- Housing Choice Voucher and Project Based Voucher as codified under 24 CFR 5.705(c)(5) and 24 CFR 5.705(c)(6), specifically the NSPIRE Inspection Form HUD-52580 and Inspection Booklet, HUD-52580A. For NSPIRE, optional Form HUD-52580 will be discontinued, and replaced with optional checklists in standard office software and a web-based inspection application.
- *Uniform self-inspection requirement and report codified at 24 CFR 5.707*
- The electronic documentation of correction for life-threatening and severe deficiencies codified at 24 CFR 5.711(c)(1), *Scoring, Ranking Criteria, and Appeals, Inspection Report Requirements, Life-threatening and severe deficiencies.*
- Full project surveys by the POA/PHA for properties that scored below 60 as outlined in 24 CFR 5.711(c)(2), *Post Report Inspection*, and
- Technical Reviews (appeals) as defined in 24 CFR 5.711(d), under *Scoring Ranking Criteria: Technical review of inspection result*

For the NSPIRE inspection process in public and multifamily housing programs, HUD conducts inspections at developments/properties that are due based on their previous inspection scores. HUD utilizes a random sample methodology to select units for inspection. In addition to the units selected, with the implementation of NSPIRE model, HUD will establish through notice the process NSPIRE will use to coordinate with the property representative to identify the resident council or tenant organization. HUD will communicate with the resident group to ask about housing conditions and ask the group to identify

additional units for HUD to inspect. HUD expects that it will add up to five resident nominated units regularly scheduled inspections as codified at [24 CFR 5.705\(f\)](#).

For the NSPIRE inspections of Housing Choice Voucher and Project Based Voucher, [24 CFR 5.705\(c\)\(5\)](#) and [24 CFR 5.705\(c\)\(6\)](#), with the publication of the final rule for NSPIRE, HUD will continue utilizing Inspection Form HUD-52580 and Inspection Booklet HUD-52580-A (same document as the HUD -52580 with the addition of detailed instructions on the form) as the record of inspection. For NSPIRE, the revised, [optional checklists](#) in standard office software and web-based applications will replace Form 52580 and 52580-A. The checklists are used by PHAs to determine if a unit meets NSPIRE standards for the HCV and PBV programs. These inspection tools have been scanned in Microsoft for accessibility. The goal of the HCV program is to provide decent, safe and sanitary housing for very low-income families. Units must pass inspection prior to the initial term of the lease. Units must be re-inspected at least biennially (every two years) when an assisted family continues occupancy. Annual re-inspections are not required under the homeownership option.

A minimum of 20 percent of PBV units are re-inspected annually. Under HOTMA, an independent entity performing inspections for PHA-owned units, must provide the inspection form to the PHA, family and HUD field office. Additional guidance from HUD was published in the [NSPIRE Administrative Procedures for the Housing Choice Voucher Programs](#).

Similar to HUD's previous inspection model, the Uniform Physical Condition Standards (UPCS), the final NSPIRE rule will continue the self-inspection requirement for all PHAs and POAs of HUD housing subject to an assistance contract, other than owners participating in the HCV, PBV, and Moderate Rehabilitation programs and are required to annually self-inspect their properties, including all units, to ensure the units are maintained in accordance with the provisions and standards codified at [24 CFR 5.703](#). The POA or PHA must maintain the results of such self-inspections for three years and must provide the results to HUD upon request. The final rule language is codified at [24 CFR 5.707](#).

In accordance with [24 CFR 5.711\(c\)](#), at the conclusion of the inspection, or at the end of each day on a multiple-day inspection, the inspector will provide the POA, PHA or property representative with a list of all Life-Threatening and Severe deficiencies that must be corrected within 24 hours of receipt of notification, with electronic certification and supporting evidence of correction submitted to HUD within 2 business days after the deadline to correct the Life-Threatening and Severe items, unless HUD approves a variation.

The Life-Threatening and Severe deficiencies must be resolved or sufficiently corrected such that they no longer pose a severe health or safety risk to residents of the property, or that the hazard is blocked until permanent repairs can be completed. If permanent repair will take longer than the allowable time in the relevant standard for the deficiency, the POA or PHA must provide HUD a timeframe for completing permanent repairs for HUD approval.

As provided in [24 CFR 5.711\(c\)\(2\)](#), for properties and PHAs that score less than 60 on an NSPIRE inspection, the POA or PHA must conduct a survey of the entire project, including all units, inside areas, and outside areas, for any deficiency, and must electronically submit a copy of the results of the survey to HUD.

The revised language for Technical Reviews codified at [24 CFR 5.711\(d\)](#), Scoring Ranking Criteria, and Appeals aligns the administrative process for scoring and ranking the physical condition of HUD housing, specifically Public Housing and Multifamily housing programs and removes the term “database adjustment” that was included in the former UPCS inspection model provisions. The NSPIRE rule at 24 CFR 5.711d aligned and updated the process for technical reviews of physical inspection.

As stated in 24 CFR 5.711(d), a PHA or POA can request a technical review of the physical inspection. The request for technical review of inspection results must be submitted electronically and must be received by the inspecting entity no later than the 45th calendar day following the day the inspection report is provided to the POA or PHA.

A request for a technical review of inspection results must be accompanied by evidence that supports the claim. PHAs or POAs should only seek a technical review which, if corrected, will result in a significant improvement in the overall score of the property.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

- Tenant Involvement in inspections as codified in 24 CFR 5.705(f), under 24 CFR 5.705 *Inspection Requirements*: HUD will use the feedback from resident councils/groups to identify additional units for inspection based on resident input. The resident feedback will be collected electronically and by other means necessary as determined by HUD notice.
- 24 CFR 5.705(c)(5) and 24 CFR 5.705(c)(6) *Housing choice vouchers*. PHAs must inspect units subject to part 982 of this title in accordance with the frequency described in [24 CFR 982.405](#) and generate an inspection report that they must maintain in their tenant files. *Project based vouchers*. PHAs must inspect units subject to [24 CFR Part 983](#) in accordance with the frequency described in [24 CFR 983.103](#).
- *Uniform self-inspection requirement and report* codified at 24 CFR 5.707
HUD will use this information as necessary depending on regulatory requirements, including enforcement of poor-performing properties/PHAs. This information will be stored by POAs and PHAs only and remain available to HUD upon request and can be paper or electronic documents. PHAs and POAs must maintain copies of self-inspection results for at least three years after completion for each unit as required by 24 CFR 5.707.
- The electronic documentation of correction for life-threatening and severe deficiencies codified at 24 CFR 5.711(c)(1), *Scoring, Ranking Criteria, and Appeals, Inspection Report Requirements, Life-threatening and severe deficiencies*. HUD staff will use the electronic documentation provided by POAs and PHAs in the NSPIRE system to review and approve the correction of life-threatening and severe deficiencies.
- Full project surveys by the POA/PHA for properties that scored below 60 as outlined in 24 CFR 5.711(c)(2), *Post Report Inspection* HUD will use this information to further evaluate the physical conditions of HUD assisted housing (properties and developments) to ensure the physical condition of the properties and adherence to NSPIRE regulatory requirements.
- Technical Reviews (appeals) as defined in 24 CFR 5.711(d), under *Scoring Ranking Criteria: Technical review of inspection results* HUD will use the electronic submission of the appeals and supporting documentation to track, review, evaluate and disposition the appeals of NSPIRE inspections scores.

- 3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision to adopt this means of collection. Also describe any consideration of using information technology to reduce burden (item 13b1 of OMB form 83-i).**

The requested data is transmitted to HUD electronically, increasing data accuracy and reducing respondent burden. Should a POA/PHA not be able to submit this information electronically due to an administrative or cost burden, the POAs/PHAs may be approved to submit the required information manually.

- 4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

There will be no duplication of information. There is no similar information already available that could be used or modified.

- 5. Does the collection of information impact small businesses or other small entities (item 5 of OMB form 83-i)? Describe any method used to minimize burden.**

The only entities that possibly may be adversely impacted by any costs associated with HUD's electronic reporting requirement are small PHAs that do not have any, or have limited, web access and computer experience. Any possible adverse impact is lessened due to the frequency of when inspections are conducted. The Department has guides available on the HUD website, provides training, and offers other technical assistance on this NSPIRE inspection model.

- 6. Describe the consequences to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.**

With the final NSPIRE rule, it is HUD's intention to strengthen HUD's physical condition standards and improve HUD oversight through the alignment and consolidation of the inspection regulations used to evaluate HUD assisted housing. The NSPIRE inspection model, regulations, and requirements, ensures the residents of HUD assisted housing live in safe, habitable dwellings, and the items and components located inside, outside, and within the units of HUD housing are functionally adequate, operable, and free of health and safety hazards.

Without this system, HUD's interest (as well as the interest of taxpayers) will be unprotected, and HUD will not be able to identify the risks due to neglected maintenance of HUD housing. Having NSPIRE will allow for the evaluation of the data and information included in the information collection may impact funds used to achieve HUD program obligations, or to detect fraud, waste and abuse.

7. Explain any special circumstances that would cause information to be collected in a manner:

With the NSPIRE rule and the implementation of the NSPIRE Case Management System that is web-based, HUD uses electronic submission processes. The NSPIRE information collection requires respondents to submit confidential data, HUD has provisioned each user with unique accessibility in the NSPIRE Case Management System with approved security access to the system and allows submitters “read-only” capability that will allow them to view their submitted data via the internet.

Under the NSPIRE inspection process, any submission of information provided by residents will be based on inspections and will be saved in a way that protects confidentiality via electronic means.

- requiring respondents to report information to the agency more than quarterly; **Not Applicable**
- requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it; **Not Applicable**
- requiring respondents to submit more than an original and two copies of any document; **Not Applicable**
- requiring respondents to retain records other than health, medical, government contract, grant-in-aid, or tax records for more than three years; **Not Applicable**
- in connection with a statistical survey, that is not designed to produce valid and reliable results than can be generalized to the universe of the study; **Not Applicable**
- requiring the use of statistical data classification that has not been reviewed and approved by OMB; **Not Applicable**
- that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or **Not Applicable**
- requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information’s confidentiality to the extent permitted by law. **Not Applicable**

8. Identify the date and page number of the *Federal Register* notice (and provide a copy) soliciting comments on the information. Summarize public comments and describe actions taken by the agency in response to these comments. Describe all the efforts to consult with people outside the agency to obtain them.

The collection is “rule based” (RIN: 2577-AD05) and does not require a FRN (44 U.S.C., Chap 35). With the publication of the Economic Growth Regulatory Relief and Consumer Protection Act: Implementation of the National Standards for the Physical Inspection of Real Estate (NSPIRE) final rule in the Federal Register at 88 FR 30442 on May 11th, 2023, Volume 88, No 91, Page 30442 HUD responded to all comments received regarding the regulatory citations included in this information collection.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

No payments or gifts are provided.

10. Describe any assurance of confidentiality provided to respondents and the basis for assurance in statute, regulation or agency policy.

All data that can be linked to a particular POA or PHA is secured from public access. When POAs or PHAs submit data electronically to HUD, security prevents users outside of HUD from intercepting this data. HUD’s web access security system ensures that all management data is secure. The authorities or justifications for the security system are:

- Information Security HUD Handbook 2400.24
- Computer Security Act of 1987, the Clinger-Cohen Act of 1996
- OMB Circular A-130 part 3, and the Government Information Security Reform Act of 2000 (GISRA).

The department’s web access security system allows users to apply online for an ID and password and to reset a forgotten password. It also controls and limits access to systems for authorized users by managing the roles and responsibilities for each user of each system.

There are primary and secondary users. Secondary users are granted read-only access to the system. (This is like the access that users submitting information have; however, the user is only able to see their submission.) HUD authorized primary users (i.e., selected staff) have security access to update the information, with strict controls of the tasks that they may perform.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

No such questions are asked as a part of this information collection.

12. Provide estimates of the hour burden of the collection of information. The statement should: * Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Read the complete instructions on form 83i.

The estimated burden hours for the five regulatory citations included in this information collection are included in the tables below and in the included five addendums. Specifically, the burden hours in the table below are for the tenant involvement in inspections as codified at 24 CFR 5.705.

The remaining five regulatory citations included in this information collection are in the addendums that address 12 – 18 for each citation. The annual burden hours are calculated using the anticipated number of responses based on the inspections forecasted to be conducted annually.

Tenant Involvement in Inspections 24 CFR 5.705(f): Estimate of Hours Burden

Information Collection	Number of Respondents	Average # of Responses	Total Annual Responses	Burden Hours per Response	Total Hours	**Hourly Cost	Total Annual Cost
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		per respondent					
Property Representative Identification of Resident Council	4,500	1	4,500	5 minutes = .083 hours	374	\$29.76	\$11,130.24
Resident Council/Tenant Organization Feedback	4,500	1	4,500	15 minutes =.25 hours	1,125	\$20.11	\$22,623.75
Subtotals	9,000	1	9,000		1,499		\$33,753.99

Totals 9,000

Total Responses: 9,000 Total Hours: 1,499

Total Estimated Annual Costs to Respondents						
Information collection	Number of Respondents	Total Burden Hours	X	Hourly Rate	=	Annualized Cost
<i>Property Representative</i>	4,500	374		\$29.76**		\$11,130.24
<i>Resident Council/Tenant Feedback</i>	4,500	1,125		\$20.11**		\$22,623.75
** Hourly cost for response assuming a GS-11, Step 1, Specialist/Manager (2024 GS).						
** Hourly cost for response assuming a GS-7, Step 1, Coordinator/Representative (2024 GS).						

13. Estimate of the annual cost to respondents or recordkeepers (do not include the cost of hour burden shown in Items 12 and 14). Read the complete instructions on the form 83i.

There are no additional costs to respondents.

14. Estimate annualized costs to the Federal government.

The estimated annualized costs to the federal government, based on a GS-12, Step 1 rate are provided below. A GS-12 Step 1 rate is the average salary for a Field Office Analyst/Manager.

Total Estimated Annual Costs to the Federal Government						
	Number of Respondents	Total Burden Hours	X	Hourly Rate	=	Annualized Cost
POA/ PHA Submissions	9,000	1,499		\$35.67 **		\$53,469.33
** Hourly cost for response assuming GS-12, Step 1(\$74,441), Analyst or Manager						

15. Explain any program changes or adjustments reported in items 13 and 14 of the OMB Form 83i.

N/A. This 83i is for a new information collection request resulting from the publication of the NSPIRE final rule published on May 11, 2023.

16. If the information is published, outline plans for tabulation and publication.

None of the information collected will be published.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

HUD is not seeking approval to not display the expiration date of the OMB approval.

18. Explain each exception to the certification statement identified in item 19.

There are no exceptions to items 19 of OMB 83-I.

B. Collections of Information Employing Statistical Methods

There are no collections of information employing statistical methods.