

March 31, 2023

### **GENERAL NEWS**

# HUD Publishes Discriminatory Effects Final Rule in Federal Register

Today in the *Federal Register*, the Department of Housing and Urban Development (<u>HUD</u>) officially published its <u>final rule</u> restoring the <u>2013 discriminatory effects rule</u> and rescinding the Department's <u>2020 disparate impact rule</u>. This final rule, however, does adopt an amendment made under the 2020 rule providing illustrations of prohibited activities under the <u>Fair Housing</u> <u>Act</u> that are not specific to discriminatory effects cases.

The discriminatory effects framework under this 2023 final rule is straightforward: any policy that has a discriminatory effect on a protected class is unlawful if it is not necessary to achieve a substantial, legitimate, nondiscriminatory interest, or if a less discriminatory alternative could also serve that interest. Today's rule also revises the regulations at 24 CFR 100.500 to standardize the three-step burden-shifting approach that HUD has long been practicing.

The effective date is **May 1, 2023**. For further information, please refer to the <u>final rule</u> and this <u>fact sheet</u>.

### PIH Issues Notice on Executive Compensation

Yesterday HUD's Office of Public and Indian Housing (PIH) issued Notice PIH 2023-05 providing information and guidance on how PHAs need to use Form HUD-52725 to report executive compensation for calendar year 2022. The notice supersedes the following previous versions: PIH-2019-21, PIH-2018-13, PIH-2017-11, and PIH-2016-16.

PHAs will be required to complete form HUD-52725 online through HUD's secure systems portal and submit their CY 2022 compensation data **from April 1 through June 30, 2023**. HUD will send all PHAs an email with information for accessing the form along with submission instructions. The notice indicates that "PHAs are only to submit CY 2022 compensation data during this upcoming collection. Please do not submit data from any other years unless specifically asked by HUD." The document also clarifies that while HUD may only collect PHA compensation data once every three years, PHAs are still subject to the annual compensation restrictions imposed by Congress.

Submission of Form HUD-52725 does not relieve any PHA of its duty to comply with the salary restrictions identified in the FFY 2022 Appropriations Act and in Notice <u>PIH 2016-14</u>. If a PHA fails to comply with the PHA executive compensation reporting requirements, HUD may impose sanctions for noncompliance.

## **HCV PROGRAM NEWS**

### HUD Updates Emergency Housing Vouchers FAQs

HUD has updated the frequently asked questions ( $\underline{FAQs}$ ) on Emergency Housing Vouchers ( $\underline{EHVs}$ ). New and updated questions are flagged as such in this new version, dated March 29, 2023.

Funding for EHVs was appropriated under the American Rescue Plan Act of 2021. Through EHV, HUD is providing 70,000 housing choice vouchers to local PHAs to assist individuals and families who are experiencing or at risk of experiencing homelessness, fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking, or who were recently homeless or have a high risk of housing instability.

You can find the FAQs and other EHVs resources on this page at HUD's website.

# **NMA NEWS**

# NMA NSPIRE Webinar Recording Posted to Our Website

On March 27, 2023, NMA hosted a Housing Help Session with the latest information on the National Standards for the Physical Inspection of Real Estate (<u>NSPIRE</u>). The webinar recording is now available to watch for free in our <u>webinar library</u>. This session is not intended as an NSPIRE training course. We'll launch training for HCV/PBV and public housing later this year, once the standards are complete.



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