

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
SALARIES AND EXPENSES, HOUSING AND URBAN DEVELOPMENT
BUDGET ACTIVITY 7: FAIR HOUSING AND EQUAL OPPORTUNITY

SCOPE OF ACTIVITY

The Office of Fair Housing and Equal Opportunity's (FHEO) mission is to enforce the Fair Housing Act and other civil rights laws to ensure the right of equal housing opportunity and free and fair housing choice without discrimination based on race, color, religion, sex, national origin, disability or family composition.

The Assistant Secretary for Fair Housing and Equal Opportunity (FHEO) administers and enforces major legislation that ensures equal access to housing, guarantees equal opportunity in all HUD programs and prohibits, to a limited extent, discrimination in employment with respect to HUD programs.

Title VIII of the Civil Rights Act of 1968 (Fair Housing Act) prohibits discrimination in the sale, rental and financing of dwellings based on race, color, religion, sex or national origin. Title VIII was amended in 1988 (effective March 12, 1989) by the Fair Housing Amendments Act, which:

- expanded the coverage of the Fair Housing Act to prohibit discrimination based on disability or on familial status (presence of child under age of 18, and pregnant women);
- established new administrative enforcement mechanisms with HUD attorneys bringing actions before administrative law judges on behalf of victims of housing discrimination; and
- revised and expanded Justice Department jurisdiction to bring suite on behalf of victims in Federal district courts.

In connection with prohibitions on discrimination against individuals with disabilities, the Act contains design and construction accessibility provisions for certain new multifamily dwellings developed for first occupancy on or after March 13, 1991. The 1988 amendments have greatly increased the Department's enforcement role. First, the newly protected classes have proven significant sources of new complaints. Second, HUD's expanded enforcement role took the Department beyond investigation and conciliation into the mandatory enforcement area. Complaints filed with HUD are investigated by the Office of Fair Housing and Equal Opportunity (FHEO). If the complaint is not successfully conciliated then FHEO determines whether reasonable cause exists to believe that a discriminatory housing practice has occurred. When reasonable cause is found, the parties to the complaint are notified by HUD's issuance of a Determination, as well as a Charge of Discrimination, and a hearing is scheduled before a HUD administrative law judge.

The Fair Housing Initiatives Program (FHIP) was established by Section 561 of the Housing and Community Development (HCD) Act of 1987, as amended, to authorize the execution of grants, contracts, or cooperative agreements with State or local government agencies, public or private, for-profit and not-for-profit organizations, institutions or other entities to support their efforts to prevent or eliminate discriminatory housing practices. FHIP supports projects and activities designed to enhance compliance with the Act and substantially equivalent State and local laws prohibiting housing discrimination. These activities include programs of enforcement, voluntary compliance, and education and outreach. The programs provide a coordinated approach to:

1. further the purposes of the Fair Housing Act;
2. guarantee the rights of all Americans to seek housing in an open market, free of discrimination; and
3. inform the American citizenry of its rights and obligations under the Fair Housing Act.

Since 1980, the Department has provided financial assistance under the Fair Housing Assistance Program (FHAP) to State and local agencies administering substantially equivalent fair housing laws and ordinances. When the Fair Housing Amendments Act was enacted in September 1988, all State and local agencies were required to amend their respective laws and ordinances if they wished to obtain substantial equivalency certification with the amended Federal law. The Fair Housing Act provide that the Department cooperate with and render technical assistance to State and local agencies formulating or carrying out programs to prevent or eliminate discriminatory housing practices. Section 810 of the Fair Housing Act specifically encourages cooperation with State and local agencies charged with the administration of State and local fair housing laws. FHAP and the substantial equivalency certification process both serve to further fair housing by providing financial assistance and by encouraging State and local government to enact and enforce legislation designed to ensure fair housing. Through training, legal and administrative technical assistance, issuance of written guidelines, participation at meetings and conferences, and review of proposed legislation, the Department provides extensive assistance

to help State and local fair housing enforcement agencies obtain certification under the Fair Housing Act.

The Business and Operating Plan directly correlates with the Department's four strategic goals established to carry out its mission. FHEO programs contribute to all of these goals and will continue to develop and implement programs that:

- Ensure Equal Opportunity in Housing for All Americans;
- Promote Self-Sufficiency and Asset Development of Families and Individuals;
- Improve Community Quality of Life and Economic Vitality; and
- Ensure the Public Trust in HUD.

Through FHIP's emphasis on promoting homeownership, and the benefits that flow from it, through the reduction of housing discrimination, helps the Department achieve these overall goals, in addition to the specific strategic objectives that "housing discrimination is reduced;" "disparities in homeownership rates are reduced among groups defined by race, ethnicity, and disability status;" "poor and disadvantaged families and individuals become self-sufficient and develop assets;" and "the elderly and persons with disabilities achieve maximum independence."

All of the strategic objectives contained in the APP will be positively affected by the Fair Housing Partnership through empowering the public, encouraging networks of State and local fair housing enforcement agencies working in unison with private fair housing organizations, and encouraging a fair housing presence in places where there is little or no such presence. The Department expects that an informed and educated public, housing/real estate industry, and mortgage banking and financing industry, along with aggressive and effective enforcement, will assist in affirmatively furthering fair housing where the outcome of such actions will go a long way toward eliminating housing discrimination.

STAFFING

The Office of Fair Housing and Equal Opportunity (FHEO) is requesting to increase its FTE staffing ceiling from 650 FTEs to 750 FTEs. Our current on board staffing level is 622. The additional staffing will provide FHEO with the necessary resources to be more responsive to the legislative requirements of the Fair Housing Act and other equal opportunity program compliance responsibilities of HUD, such as the housing needs of the disabled, fair housing education of protected classes and housing industry professionals, and outreach efforts to involve community based groups and organizations in advancing equal housing opportunity. Staffing levels for civil rights law enforcement agencies in general was defined in a recent GAO report as inadequate. This deficiency was verified in FHEO with the release of a March 8, 1996 Price Waterhouse business process redesign study of HUD procedures related to the implementation of the Fair Housing Act. The report concluded in part that staffing resources for Title VIII housing discrimination enforcement and compliance was insufficient to carry out FHEO's mission efficiently and effectively. The report recommended staffing increases throughout the organization at a level significantly higher than the level FHEO is now requesting for fiscal year 2002. Our request for staffing below the Price Waterhouse report recommendation is based on our institutionalization of more efficient program management procedures, put in place since the study, that make better use of staff resources.

FHEO has in large part been successful in re-engineering itself into a more effective organization providing better customer service. However, the compliance and enforcement responsibilities required by the Fair Housing Act and other civil rights legislation are extensive and far reaching and require a consistent professional and broad response. Coupled with our concern to provide a robust response to the compliance and enforcement needs of the community and housing industry groups is a need to infuse the organization with younger staff. A recent HUD human resources report entitled "Succession Planning" disclosed that over 60 percent of the FHEO employees are eligible for retirement in the next 3 years. This is the highest percentage in the Department. The vast majority of those eligible to depart will be Equal Opportunity Specialists. This category of staff carry out the most basic civil rights enforcement and compliance functions of the agency, and are the backbone of the FHEO organization. If FHEO is to continue to perform effectively under its current goals and to take on increased activities evolving from 21st century forms of discrimination, such as hate on the Internet, predatory lending, and insurance scams, increased staffing is essential.

While the management reform procedures FHEO established have in many areas been addressed, the reform plan was presented as a total package of interdependent parts. The aspect of the package that has never been realized is the need for staffing resources in the Field and in Headquarters. The reform plan anticipated that all of the enforcement and program compliance services of FHEO would be provided in each of our locations to provide a full range of services in an increased number of locations across the country. While field office Hubs assure that these services are available to all citizens, sufficient staffing would ensure that better customer service could be provided using local approaches and local issues and concerns.

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WORKLOAD

The principal workload of Fair Housing and Equal Opportunity consists of processing and investigating housing discrimination complaints, implementing civil rights requirements in HUD programs, conducting compliance reviews, managing grants to fair housing organizations, reimbursing fair housing agencies for investigating housing discrimination complaints, and implementing voluntary programs.

1. HEADQUARTERS

The Assistant Secretary and FHEO program offices are responsible for administering and enforcing major legislation that ensures equal access to housing, guarantees equal opportunity in all HUD programs and prohibits, to a limited extent, discrimination in employment with respect to HUD programs.

2. FIELD

The Fair Housing and Equal Opportunity Hub combines the fair housing enforcement and the program operations and compliance activities. The functions of the Hub are basically to: (1) work consistently and cooperatively to carry out the mission of civil rights protection in program delivery and enforcement responsibilities as defined by statute; (2) ensure adequate and appropriate distribution of resources throughout the geographic area to allow for the processing of general and specialty functions; (3) to serve as the point of contact on all major policy issues regarding HUD's civil rights responsibilities within each geographic area; and (4) serve as point of appeals, in consultation with Headquarters, for all Civil Rights Related Program Requirements and Compliance recommendations and/or decisions made.

TRAVEL

	ACTUAL 2000	BUDGET ESTIMATE 2001	CURRENT ESTIMATE 2001	ESTIMATE 2002	INCREASE + DECREASE - 2002 vs 2001
	(Dollars in Thousands)				
Travel (HQ)	\$678	\$522	\$492	\$492	....
Travel (Field)	\$511	\$720	\$591	\$591	....
Total.....	\$1,189	\$1,242	\$1,083	\$1,083	....

The fiscal year 2002 travel estimates of \$1,083,000 represents FHEO-HQ of \$492,000 and \$591,000 for FHEO-Field, which reflects level funding for fiscal year 2002.

FHEO Proposes to accomplish the following BOP/APP goals and objectives:

- Ensure Equal Opportunity in housing for All Americans;
- Promote Self-Sufficiency and Asset Development of Families and Individuals;
- Improve Community Quality of Life and Economic Vitality;
- Ensure the public trust in HUD;
- Encourage those who experience discrimination to file complaint;s
- Provide rapid response to initial complaints of discrimination;
- Educate housing providers, and housing industry, fair housing and disability advocacy organizations to increase awareness of and compliance with the accessibility provisions of the Fair Housing Act; and
- Assure compliance with civil rights and equal opportunity requirements among HUD program recipients and grantees.

Level funding will allow FHEO to continue to provide financial and administrative support for the BOP goals and support to the field offices to support their cooperative efforts with organizations like ADAPT and DRACH to identify cities and/or HUD recipients with major noncompliance issues throughout the country; to provide education and outreach to support the Department's Congressionally mandated Education and Outreach Plan on the Fair Housing Act accessibility requirements and to support cooperative efforts related to the implementation of the FHIP National Model Codes component; to conduct training of HUD field staff on Section 504 of the Rehabilitation Act, Title II of the Americans with Disabilities Act, the Architectural Barriers Act, the Fair Housing Act, and the revised ADA/ABA standards for accessible design, and the various safe harbor standards for the Fair Housing Act, including the ICC/ANSI A117.1 - 1998; to conduct conferences (invitational and Headquarters' planned) on Section 504, ADA and FHAG; staff investigations of Title VI, Title VIII, Sexual Harassment, and Section 504 complaints;

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travel to attend training on the requirements of the Quality Housing and Work Responsibility Act of 1998, i. e., Public Housing Agency Plan, Deconcentration, Section 8 Homeownership, Demolition and Disposition, etc.; and participate in on-site performance assessments of Regional Opportunity Counseling (ROC) and Housing Search Assistance Program (HSAP) agencies to provide technical assistance and implement some Best Practices concepts, procedures and principles. Headquarters staff will assist the Field as well as initiate complaints under the various civil rights statutes. Headquarters will also be taking the lead on implementing the goals and objectives and initiating travel and training in relation to the BOP and APP goals and objectives.

CONTRACTS

	ACTUAL 2000	BUDGET ESTIMATE 2001	CURRENT ESTIMATE 2001	ESTIMATE 2002	INCREASE + DECREASE - 2002 vs 2001
	(Dollars in Thousands)				
Data and Statistical Services . . . . .	....	....	
Public Information Services ...	....	\$210	\$270	\$270	....
Technical Services	\$793	\$1,027	\$666	\$666	....
Management Studies .....	....	\$250	....	....	....
General Support	\$381	\$400	\$104	\$104	....
Training Contracts, Non-Fed Emp.	....	\$50	....	....	....
Total.....	\$1,174	\$1,937	\$1,040	\$1,040	....

Public Information Services. Level funding for fiscal year 2002 will allow for current funding support to continue our efforts in the following initiatives:

- Education/Outreach LEP Guidance which would entail a campaign developed and designed to reach out to LEP communities through the United States. The campaign would make both HUD's "federally conducted program plans" and "Title VI policy guidance" widely available to LEP advocates and communities.
- Topical Reporter which provides Federal and State regulations and serves as a reference source of Fair Housing-Fair Lending laws. It includes the decisions of HUD Administrative Law Judges and the Courts of the United States. The decisions serve as a guide to the Secretary, the General Counsel, the Assistant Secretary for FHEO, Hub Directors, Regional Counsel and staff of State and Local agencies.
- Other Services would include distribution to the Fair Housing Initiative Program's Notice of Funding Availability and accommodate the submission of the FHIP and FHAP Program work products, Section 3 reports, and the Regional Opportunity Counseling Programs and the increase in user requests based on greater familiarity with the services provided.

Technical Services. Level funding for fiscal year 2002 will allow FHEO to provide current funding support for the following technical assistance services:

- Section 504 and ADA Technical Assistance which would include development of technical assistance materials and direct assistance through a series of seminars in major cities, and through a variety of other methods such as use of the Internet, mailings, and workshops at conferences of housing provider groups. This Assistance would be earmarked for Public Housing, Assisted Housing Providers, CDBG grantees, and grantees under other CPD programs such as HOME, shelter Plus Care, etc. recipients; and
- Architectural Consulting Services would support the fair housing enforcement requirements like the implementation of the Department's congressional mandated education and outreach plan on the Fair Housing Act with regards to accessibility requirements and the Departmental congressional requirements addressing guidelines, review and approval of building plans under 42 USC 3604(f)(5).

General Support. Level funding will allow for current support for FHEO's programs and operational activities. Services provided would consist of court reporters, public service announcements, and advertisements.