

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FAIR HOUSING AND EQUAL OPPORTUNITY
FAIR HOUSING ACTIVITIES
2020 Summary of Resources

(Dollars in Thousands)

	Enacted/ Requested	Carryover	Supplemental/ Rescission	Total Resources	Obligations	Outlays
2018 Appropriation	65,300	32,307 ^a	-	97,607	47,014	61,603
2019 Annualized CR	65,300	47,999	-	113,299	77,099	63,647
2020 Request	62,300	36,200	-	98,500	66,600	63,855
Change from 2019	(3,000)	(11,799)	-	(14,799)	(10,499)	208

a/ This carryover number includes \$302,800 in funds recaptured in 2018.

1. Program Purpose and Budget Overview

The 2020 President’s Budget requests \$62.3 million for Fair Housing programs, which is \$3 million less than the 2019 Annualized Continuing Resolution (CR) level. The mission of HUD’s Office of Fair Housing and Equal Opportunity (FHEO) is “to eliminate housing discrimination, promote economic opportunity, and achieve diverse, inclusive communities by leading the nation in the enforcement, administration, development, and public understanding of federal fair housing policies and laws.” FHEO’s cardinal duty, therefore, is to create equal housing and credit opportunities for all persons living in America. The Fair Housing Program funds four activities: (1) Fair Housing Initiatives Program (FHIP); (2) Fair Housing Assistance Program (FHAP); (3) Limited English Proficiency Initiative (LEPI); and (4) National Fair Housing Training Academy (NFHTA). Along with the work of HUD's Office of Fair Housing and Equal Opportunity, these programs work in concert to redress injuries to victims, prevent housing discrimination, and eliminate segregation.

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Fair Housing Programs	2018 Enacted	2019 Annualized CR	2020 President's Budget	Increase/ (Decrease)
Fair Housing Initiatives Program (FHIP)	\$39,600,000	\$39,600,000	\$36,200,000	(\$3,400,000)
Fair Housing Assistance Program (FHAP)	23,900,000	23,900,000	24,300,000	400,000
Limited English Proficiency	300,000	300,000	300,000	-
National Fair Housing Training Academy (NFHTA)	1,500,000	1,500,000	1,500,000	-
Program Total	\$65,300,000	\$65,300,000	\$62,300,000	(\$3,000,000)

2. Request

Fair Housing Initiatives Program (FHIP)

The Fair Housing Initiatives Program (FHIP) supports critical fair housing enforcement work throughout the United States, as well as education and outreach to the general public about their rights and responsibilities under the Fair Housing Act. This is accomplished through the interplay of three major components: The Private Enforcement Initiatives (PEI), the Fair Housing Organization Initiatives (FHOI), and the Education Outreach Initiatives (EOI). PEI supports high quality, effective investigations and testing by private fair housing organizations in more than 120 communities. A second major initiative, FHOI, enhances the capacity of existing organizations to provide fair housing enforcement services. It also creates new organizations in areas of the country which are underserved or unserved or in areas where large concentrations of protected classes exist. Through EOI, FHIP grantees conduct education campaigns on the rights, responsibilities, remedies, and resources available under the Fair Housing Act. Each year, the Department awards local and regional grants that fund more than 31,000 local education and outreach efforts, working with people in the communities to provide information, referrals, education, and training on fair housing rights. In addition, the Department awards a national fair housing education and outreach grant to disseminate a broad national fair housing message. A separate education program, Fair Housing Accessibility FIRST educates builders, designers, architects, and planners on the Fair Housing Act's accessibility requirements.

The FHIP request supports critical fair housing enforcement work throughout the United States, as well as education and outreach to the public about their rights and responsibilities under the Fair Housing Act. The funding level for FHIP will support the same number of Private Enforcement Initiative grants. Fewer education and outreach grants will be supported in 2020, but as part of a strategic change to increase Partnership Activities funding in FHAP, the effect will be mitigated as Partnership Activities support FHAP

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activities in partnerships with community-based organizations, which are typically FHIP participants. FHIP PEI grantees may use a portion of their funding to support education and outreach activities. Educating individuals about their rights and responsibilities under the Act has been shown to have a direct relationship with the number of complaints filed. In addition, education and outreach provide valuable local engagement with housing industry officials.

The FHIP request of \$36.2 million will provide support for fair housing enforcement activities conducted by approximately 94 private fair housing organizations. These activities consist of:

- Investigating complaints, conducting testing, and supporting local compliance with the Fair Housing Act;
- A variety of education and outreach activities, including a national media campaign;
- Funding to multiyear PEI grantees who serves the nation’s largest metropolitan areas; and
- Continual operation of the Fair Housing Accessibility FIRST project, which trains industry professionals on the design and construction requirements of the Fair Housing Act. “FIRST” describes the services offered by the program: Fair Housing Information, Resources, Support, and Technical Guidance.

Fair Housing Initiatives Program (FHIP)	2018 Enacted	2019 Annualized CR	2020 President's Budget	Increase/ (Decrease)
Private Enforcement Initiatives (PEI)	\$30,750,000	\$30,750,000	\$30,350,000	(400,000)
Education Outreach Initiatives (EOI)	7,850,000	7,850,000	4,850,000	(3,000,000)
Fair Housing Organization Initiatives (FOI)	500,000	500,000	500,000	-
FIRST	500,000	500,000	500,000	-
Program Total	\$39,600,000	\$39,600,000	\$36,200,000	(3,400,000)

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Fair Housing Assistance Program (FHAP)

The Fair Housing Assistance Program (FHAP) provides consistent and dependable funding to state and local civil rights enforcement agencies that provide rights, remedies, and procedures that are equivalent to the Fair Housing Act. FHAP agencies also conduct education on fair housing and fair lending at events throughout their communities. The 2020 Budget makes it possible to continue support to approximately 79 state and local government civil rights agencies to investigate and prosecute housing discrimination within their jurisdictions. FHAP agencies often serve as the principal civil rights enforcers and investigate most administrative fair housing complaints filed in the country. They plan the investigations, interview parties and witnesses, gather and analyze evidence, facilitate resolution, and render determinations. Further, these agencies ensure compliance with settlement agreements and, where necessary, litigate complaints to address violations.

The \$24.3 million request would maintain HUD's commitment to a coordinated intergovernmental partnership to protect the fair housing rights of individuals and families. This level of funding will:

- Provide for the investigation and remedy of complaints of discriminations;
- Deter willful violators by increasing the severity, immediacy, or probability of penalties; and
- Educate potential victims on how to assert their civil rights and seek remedies.

Partnership Activities

FHEO has long desired to increase Partnership Activities in the FHAP program to meet demand with state and local program participants, but it has been constrained by the need to fund the core FHAP components (complaint processing, administrative costs, and training). In the past two years, however, the number of complaints received and processed has decreased, which allows FHAP to increase its funding for Partnership Activities while ensuring complaint processing is sufficiently funded to meet projections.

Partnership Activities funds enable FHAP agencies to partner with community-based, faith-based, and other organizations—including FHIP agencies—to conduct fair housing testing, community education and outreach, and a host of other enforcement-supporting activities. This increase will allow FHAP and FHIP to improve outreach, coordination, and enforcement.

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Fair Housing Assistance Program (FHAP)	2018 Enacted	2019 Annualized CR	2020 President's Budget	Increase/ (Decrease)
Complaint Processing	\$16,860,201	\$16,860,201	\$16,000,000	(860,201)
Administrative Costs	4,809,399	4,809,399	4,700,000	(109,399)
Training	2,030,400	2,030,400	2,000,000	(30,400)
Special Enforcement Effort	100,000	100,000	100,000	-
Partnership Activities	100,000	100,000	1,500,000	1,400,000
Program Total	\$23,900,000	\$23,900,000	\$24,300,000	400,000

Limited English Proficiency Initiative

The Limited English Proficiency Initiative (LEPI) is a direct initiative to ensure HUD’s compliance with the federal mandate of Executive Order 13166. This federal mandate requires federal agencies to assess and address the needs of eligible persons seeking access to federally-conducted programs and activities who, due to limited English proficiency (LEP), cannot fully and equally participate in or benefit from those programs and activities. Specifically, EO 13166 requires federal agencies to develop and implement a system by which LEP persons can meaningfully access services that are consistent with the fundamental mission of HUD. The LEPI funding makes it possible for HUD to meet this directive. As such, the LEPI funding request of \$300,000 would provide:

- Department-wide language services contracts in support of HUD program offices fulfilling their mission-critical work. For example, through oral interpretation and written translation services, these funds help ensure communication between HUD staff and persons with limited English proficiency, as well as meaningful access to HUD programs and services by the LEP community during, for example, natural disasters.
- Support for the FHEO’s civil rights enforcement work (investigating housing discrimination complaints, conducting compliance reviews of HUD-funded recipients, and raising public awareness of fair housing laws through education and outreach materials). In addition, LEPI supports the Offices of the Secretary and Deputy Secretary, Administration, Field Policy & Management, Public Affairs, and the HUD Emergency Operations Center in their efforts to address the needs of the public regarding civil rights, housing opportunities, and disaster recovery.

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Limited English Proficiency Initiative (LEPI)	2018 Enacted	2019 Annualized CR	2020 President's Budget	Increase/ (Decrease)
Limited English Proficiency Initiative (LEPI)	\$300,000	\$300,000	\$300,000	-

National Fair Housing Training Academy

The National Fair Housing Training Academy provides, through a managed training curriculum, consistent national training on fair housing and conciliation techniques for investigators at 79 state and local government agencies participating in FHAP, HUD, and other fair housing organizations. A key purpose of the Training Academy is to provide a continuation and enhancement of an important national fair housing education clearinghouse and provide needed support to help ensure that the performance of these investigators meets national standards and that training is provided and available at a single point of contact nationally. FHEO will make Training Academy funds available through HUD’s Community Compass Notice of Funding Availability (NOFA). HUD will enter into a cooperative agreement with a TA provider to administer the Academy.

The requested funding level of \$1.5 million will provide:

- At least six high-quality trainings per year with each session lasting 24-32 hours and training approximately 20-30 persons (a total of approximately 120 to 180 investigators, at a per-person cost of approximately \$8,333 to \$12,500). Training sessions may take place in-person or online.

National Fair Housing Training Academy (NFHTA)	2018 Enacted	2019 Annualized CR	2020 President's Budget	Increase/ (Decrease)
National Fair Housing Training Academy (NFHTA)	\$1,500,000	\$1,500,000	\$1,500,000	-

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3. Justification

Performance and Evidence

Despite the persistence of discrimination, federally funded fair housing enforcement and education have complemented and reinforced social changes. There are four complementary mechanisms by which congressional appropriations for FHAP, FHIP, and NFHTA reduce housing discrimination:

1. Detection and remedy of discrimination;
2. Deterrence of willful violators through increased severity, immediacy, or probability of penalties;
3. Education of violators about their legal responsibilities; and
4. Education of potential victims both to assert their civil rights and to seek remedies.

The FHIP, the FHAP, and the NFHTA address housing discrimination and its long-term consequences and are the only funded programs in the federal government dedicated to assisting individuals get justice for housing discrimination. Along with the work of HUD's Office of Fair Housing and Equal Opportunity, these programs work in concert to redress injuries to victims, prevent housing discrimination, and eliminate segregation. HUD's fair housing programs each play a crucial and unique role in the Department's work to support fair housing enforcement and education and to strengthen the efforts of states, communities, and public housing authorities to prevent discrimination. Though Title VIII of the Civil Rights Act of 1968 outlawed housing discrimination more than 45 years ago, housing discrimination of all types continues in communities throughout the nation.

Grantees are required to have sound financial and management systems that accurately measure performance. FHIP measures success through: (1) sound financial management techniques; (2) development of activities that increase the quality and timeliness of deliverables; and (3) increases in enforcement actions initiated. In 2018, cases filed with HUD involving a FHIP agency were less likely to be dismissed than other cases. FHIP-assisted complaints resulted in higher conciliation rates (37 percent) than non-FHIP complaints (23 percent); also, the median relief obtained in FHIP-assisted complaints was about three times higher (\$925) than the median relief obtained in non-FHIP cases (\$300).

FHAP agencies investigate the majority (approximately 80 percent) of the administrative fair housing complaints filed in the country to ensure compliance with fair housing laws and, where necessary, litigate complaints to address violations. In 2018 (as of August 2018), FHAP agencies handled 5,251 fair housing complaints and obtained monetary relief totaling more than \$3.2 million, in addition

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to public interest relief such as adoption/revision of non-discrimination policies, education and outreach efforts, and fair housing training.

With respect to the Training Academy, HUD will evaluate its effectiveness through a variety of measures. In the short term, HUD will directly evaluate the quality of the training, which will include pre- and post-diagnostic tests. Over the long term, and more significantly, HUD will evaluate how the training enhances the quality of investigations conducted by FHAP agencies. HUD will seek overall improvement in investigative performance, greater consistency in performance among the 79 FHAP agencies, and demonstrated adherence to HUD policy guidance. HUD regularly reviews FHAP agency performance and applies standards for payment based on the quality of investigations. Finally, in accordance with requirements for Community Compass cooperative agreements, HUD will require the awardee of Training Academy funds to submit financial and program performance reports to HUD.

Operational Improvements

FHIP continues to provide technological advances in its grant processes to assist stakeholders. FHIP uses technology to assist in its overall application review process, using outside experts to review applications, and it continues to work with other HUD programs to enhance the award processing function. Further, FHIP is currently reviewing a streamlined monitoring process that will enhance the monitoring process for the governmental technical representatives (GTRs) and the grantees.

In 2018, FHAP agencies in high-cost areas received a locality adjustment to their Administrative Cost fund award. The adjustment factors were developed by HUD's Office of Policy Development and Research (PD&R). This provides additional funds to agencies who operate in high-cost areas.

In 2018, HUD streamlined the Training Academy curriculum to focus on the fundamentals of case investigations and promote online services to increase the reach of the training.

General Provisions

The 2020 Budget includes a General Provision related to Fair Housing programs (Sec. 202). This provision is described further in "Fiscal Year 2020 General Provisions".

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**FAIR HOUSING AND EQUAL OPPORTUNITY
FAIR HOUSING ACTIVITIES
Summary of Resources by Program**

(Dollars in Thousands)

Budget Activity	2018 Budget Authority	2017 Carryover Into 2018	2018 Total Resources	2018 Obligations	2019 Annualized CR	2018 Carryover Into 2019	2019 Total Resources	2020 Request
Fair Housing Initiatives Program	39,600	24,981	64,581	24,208	39,600	39,600	79,200	36,200
Fair Housing Assistance Program	23,900	5,018	28,917	22,270	23,900	6,645	30,545	24,300
Fair Housing Limited English Proficiency Program	300	241	541	287	300	254	554	300
National Fair Housing Training Academy	1,500	2,067	3,567	249	1,500	1,500	3,000	1,500
Total	65,300	32,307	97,606	47,014	65,300	47,999	113,299	62,300

Note: The National Fair Housing Training Academy includes fees collected from program participants in FY 2017 carryover into FY 2018.

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Appropriations Language

The 2020 President's Budget includes the appropriation language listed below:

For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, and section 561 of the Housing and Community Development Act of 1987, as amended, \$62,300,000, to remain available until September 30, 2021: Provided, That notwithstanding 31 U.S.C. 3302, the Secretary may assess and collect fees to cover the costs of the Fair Housing Training Academy, and may use such funds to provide such training: Provided further, That no funds made available under this heading shall be used to lobby the executive or legislative branches of the Federal Government in connection with a specific contract, grant, or loan: Provided further, That of the funds made available under this heading, \$300,000 shall be available to the Secretary for the creation and promotion of translated materials and other programs that support the assistance of persons with limited English proficiency in utilizing the services provided by the Department of Housing and Urban Development.

Note.—A full-year 2019 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2019 (Division C of P.L. 115–245, as amended). The amounts included for 2019 reflect the annualized level provided by the continuing resolution.