

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Fair Housing and Equal Opportunity (FHEO)

Fair Housing Programs

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carryover	Supplemental/ Rescission	Total Resources	Obligations	Outlays
2020 Appropriation	70,300,000	46,736,836 ^{a/}	2,500,000 ^{b/}	119,536,836	103,600,612	65,004,876
2021 Appropriation	72,555,000	16,504,697	20,000,000 ^{c/}	109,059,697	101,000,000	71,000,000
2022 President's Budget	85,000,000	8,059,697	-	93,059,697 ^{d/}	93,059,696	85,000,000
Change from 2021	12,445,000	(8,445,000)	(20,000,000)	(16,000,000)	(7,940,304)	14,000,000

a/ 2020 Carryover includes \$750 thousand in recaptured funds from an expired NFHTA contract that was reissued.

b/ 2020 Supplemental funding is Fair Housing Initiative Program (FHIP) and Fair Housing Assistance Program (FHAP) CARES ACT funding.

c/ 2021 Supplement funding is American Rescue Plan Act of 2021 FHIP funding.

d/ 2022 Total Resources differs from Budget Appendix due to updated estimates for offsetting collections.

PROGRAM PURPOSE

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." 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) the National Fair Housing Training Academy (NFHTA). Along with the work of FHEO, these programs work to redress injuries to victims, prevent housing discrimination and eliminate segregation. The 2022 Budget for FHEO will support the Secretary's commitment to fair housing and provide resources to implement fair housing activities.

BUDGET OVERVIEW

The 2022 President's Budget for Fair Housing Programs is \$85 million, which is \$12.4 million more than the 2021 enacted level. The Budget funds the following programs:

- Fair Housing Initiatives Program (FHIP): \$56 million, a \$9.7 million increase from the 2021 Appropriation level, will support grants to private fair housing organizations and education and outreach on fair housing rights and responsibilities.
- Fair Housing Assistance Program (FHAP): \$25 million, a \$600 thousand increase from the 2021 Appropriation level, will support state and local civil rights enforcement agencies with grants, training, and technical assistance.
- Limited English Proficiency Initiative (LEPI): \$1 million, a \$650 thousand increase from the 2021 Appropriation level, will support English translation and interpretation services.
- National Fair Housing Training Academy (NFHTA): \$3 million, a \$1.5 million increase from the 2021 Appropriation Level, will support national training on fair housing investigation and conciliation techniques.

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Fair Housing Activities	2020 Enacted	2021 Enacted	2022 Request	2022 vs. 2021
FHIP	44,950,000	46,305,000	56,000,000	+9,695,000
FHAP	23,500,000	24,400,000	25,000,000	+600,000
LEPI	350,000	350,000	1,000,000	+650,000
NFHTA	1,500,000	1,500,000	3,000,000	+1,500,000
Total	\$70,300,000	\$72,555,000	\$85,000,000	\$12,445,000

JUSTIFICATION

Fair Housing Initiatives Program (FHIP)

The 2022 President’s Budget reflects the Department’s goal of supporting the efforts of public and private organizations to provide fair housing enforcement and education and outreach services in addressing currently unmet needs. This budget makes an investment toward eradicating race, national origin, and other discrimination in the housing market. Despite 53 years of prohibitions against housing discrimination, audits of race and national origin discrimination in the rental and sales market continue to show high indices of discrimination nationwide. Mortgage lenders still reject African Americans and other minority protected class applicants almost twice as often as Whites. Discrimination in the insurance markets as well as bias in the appraisal process against African Americans and other racial minority customers is also a continuing, systemic problem. Architects, engineers, and builders continue to design and construct housing that is inaccessible for individuals with disabilities, and housing providers and lenders continue to deny reasonable accommodations and modifications that may be necessary for individuals with disabilities to have an equal opportunity to enjoy and use housing. Studies have found that same-sex couples and transgender persons in communities across the country experience demonstrably less favorable treatment than their heterosexual and cisgender counterparts when seeking housing.¹ Many cities with large populations and many rural areas have no fair housing organizations. The Department’s efforts to reduce homeownership gaps based on race, color, national origin, and other protected characteristics are frustrated by persistent systemic discrimination. To deal with these major issues the Department will carry out a targeted, focused and coordinated strategy for enforcement, and education and outreach. FHIP supports critical fair housing enforcement work throughout the United States, as well as critical education and outreach to the public about the rights of individuals and families and the responsibilities of housing providers, lenders, and State and local governments under the Fair Housing Act (FHA). The 2022 Budget level of \$56 million for FHIP will provide support for fair housing enforcement activities conducted by more than 145 private fair housing organizations and represents a 21 percent increase above the 2021 enactment level. It will allow the program to continue enforcement, education, and outreach activities nationwide at the 2021 enacted level, and provide additional funding for activities to combat discrimination in the housing market.

There are three major initiatives under FHIP. Together, these components support private enforcement, and education and outreach activities.

¹ Friedman, Samantha, Angela Reynolds, Susan Scovill, Florence R. Brassier, Ron Campbell, and McKenzie Ballou. (2013). An Estimate of Housing Discrimination Against Same-Sex Couples. U.S. Department of Housing and Urban Development, Office of Policy Development and Research, and Levy, Diane, Doug Wissoker, Claudia L. Aranda, Brent Howell, Rob Pittingolo, Sarale Sewell, and Rob Santos. (2017). A Paired Testing Pilot of Housing Discrimination Against Same-Sex Couples and Transgender Individuals. The Urban Institute.

Private Enforcement Initiative. Under this component, continued funding is needed for multi-year projects to carry out complaint intake, testing, investigative activities, and legal fees for systemic investigations as well as investigations of individual complaints. The Department will also increase funding under this initiative to ensure full enforcement for all claims under the FHA's purview, such as recognition that, after the *Bostock* decision, the FHA bars discrimination based on sexual orientation and gender identity. This expansion in the protections and the scope of covered persons and prohibited practices can be expected to increase the demand on FHIP education, outreach, and enforcement services.

Fair Housing Organization Initiative. The budget requests funding for this initiative for one new fair housing enforcement organization located in an unserved or underserved area. These are typically communities that lack the presence of a private fair housing enforcement group and have a large and growing population that is vulnerable to housing discrimination. The efforts to create fair housing groups in unserved and underserved areas commenced in 1994, and the groups created through this initiative make a notable difference in resolving fair housing complaints and most importantly, in increasing the knowledge in the areas served of the fair housing rights of individuals and families and the responsibilities of housing providers. The President's 2022 Budget will also provide funding to build the capacity of existing organizations to enforce the rights granted under the FHA. In addition, because of the COVID-19 pandemic, funding will be provided for existing organizations to address operating in a remote environment, including testing and investigative methods that can be effectively carried out using virtual means.

Education and Outreach Initiative. Fair housing discrimination on the basis of race or national origin continues to be a persistent problem. To address these problems, the 2022 Budget will support four specific components in the Education and Outreach Initiative.

- EOI National – National Media Campaign Component - In earlier studies of segregation, African Americans, members of other minority groups, and individuals with disabilities who reported that they have experienced discrimination in the housing market did not take legal action, and one of the key reasons for not doing so was because they thought that such actions would not yield results or remedy the discrimination. The studies also showed that many African Americans and other members of protected class groups who experienced discrimination did nothing about it because of lack of knowledge of where or how to file a complaint. For the Department to have a more enduring impact on reducing housing discrimination against African Americans, Hispanics, and other members of minority groups, HUD plans to fund a national fair housing media campaign to educate the American public regarding the forms of discrimination that can occur in the rental, sales, mortgage, insurance, and appraisal markets. The campaign will provide information on how to file a housing discrimination complaint through HUD.
- EOI General - Regional, local, and community-based Component Striving for Housing Equity Component - This component addresses the issues that may arise when people protected under the FHA exercise their rights to expand housing choice. These issues include but are not limited to opposition to affordable housing, harassment against minority families who move into predominantly white-residential neighborhoods and creating obstacles for people with disabilities seeking to enforce their fair housing rights. HUD will fund local and community-based projects to address these issues and promote equity and justice in housing, consistent with the mission of the FHA.
- Targeted Fair Housing Component - The budget also requests funds for an initiative to allocate EOI General awards for targeted fair housing education and outreach projects. Fair housing organizations may use these funds for a variety of purposes, including projects to: (1) develop law school curricula related to fair housing; (2) improve access to homeownership for underserved populations that have historically been denied such opportunities; and (3)

advance community integration. These funds may also be used to provide complaint intake services and fair housing legal services to underserved communities and underserved populations.

- **Fair Housing Accessibility FIRST** - Fair Housing Accessibility FIRST is an initiative sponsored by HUD designed to promote compliance with the FHA’s design and construction requirements for people with disabilities. The program consists of a comprehensive training curriculum, as well as a toll-free information line and website designed to provide technical guidance to the public.

Fair Housing Accessibility FIRST has dual significance. FIRST describes the services offered by the program: Fair Housing Information, Resources, Support, and Technical Guidance. It also conveys the importance of first planning for compliance with the accessibility requirements prior to work on engineering, design, and construction. The FHIP budget will provide funds to continue the FIRST education and outreach training to builders, architects, and others.

- **EOI Sexual Orientation and Gender Identity Component** - This budget includes funding for fair housing organizations to update existing materials to reflect the recognition that, after the *Bostock* decision, the FHA bars discrimination based on sexual orientation and gender identity.

Fair Housing Initiatives Program (FHIP)	2020 Enacted	2021 Enacted	2022 Request	2022 vs. 2021
Private Enforcement Initiatives (PEI)	36,350,000	36,350,000	41,350,000	5,000,000
Education Outreach Initiatives (EOI)	7,300,000	7,405,000	10,400,000	2,995,000
Fair Housing Organization Initiatives (FOI)	750,000	2,000,000	3,700,000	1,700,000
FIRST	550,000	550,000	550,000	-
FHIP Total	44,950,000	46,305,000	56,000,000	9,695,000

Performance Indicators. FHIP measures success by ensuring: (1) sound financial management techniques; (2) development of activities that allow for increases in quality and timeliness of deliverables; and (3) increases in the number of initiated enforcement actions. FHIP documents these outcomes by requiring grantees to have sound methodologies for recording quarterly and annual successes and positive outcomes. Grantees are required to have sound financial and management systems that accurately measure performance. Quarterly and final reports are used to accurately gauge grantee performance against stated matrices. For example, in 2020, cases filed with HUD involving a FHIP agency were less likely to be dismissed than other cases. In addition, FHIP-assisted complaints resulted in higher conciliation rates (38 percent) than non-FHIP complaints (21 percent).

Fair Housing Assistance Program (FHAP)

FHAP provides funds to agencies to investigate fair housing complaints, ensure compliance with fair housing laws where necessary, and litigate complaints to address violations. FHAP builds collaborative relationships with state and local governmental entities as it creates a coordinated intergovernmental partnership to protect fair housing rights through investigation, conciliation, and enforcement. FHAP agencies plan and conduct investigations, interview parties and witnesses, gather and analyze evidence, facilitate resolution, and render determinations. Further, these

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agencies ensure compliance with settlement agreements and, where necessary, litigate complaints to address violations. FHAP agencies also conduct education on fair housing and fair lending at events throughout their communities.

The requested funding level will allow the program to continue enforcement activities nationwide, provides additional Capacity Building funds to re-admit two former FHAP agencies (the State of Oregon and City of Tacoma), and provides enough funds to cover an expected increase in case processing associated with the application of the FHA to claims of discrimination on the basis of sexual orientation and gender identity. The requested level for FHAP also includes a decrease in Training Funds provided to FHAP agencies due to the National Fair Housing Training Academy no longer charging FHAP staff to attend its trainings as well as the fact that almost all trainings are currently being conducted remotely.

FHAP agencies investigate approximately 80 percent of the administrative fair housing complaints filed in the country. Currently, there are 76 FHAP agencies in the program, including 35 states (including the District of Columbia) and 41 localities. FHAP agencies investigate fair housing complaints to ensure compliance with fair housing laws, and, where necessary, litigate complaints to address violations. FHAP agencies plan and conduct 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. FHAP agencies also conduct education on fair housing and fair lending at events throughout their communities. In 2020, FHAP agencies processed almost 5,900 fair housing complaints, and obtained monetary relief totaling more than \$4.67 million in addition to public interest relief such as adoption/revision of nondiscrimination policies, education and outreach efforts, and fair housing training.

Fair Housing Assistance Program (FHAP)	2020 Enacted	2021 Enacted	2022 Request	2022 vs. 2021
Complaint Processing	15,540,000	16,520,000	16,700,000	180,000
Administrative Costs	4,500,000	4,740,000	4,740,000	-
Training	1,700,000	2,000,000	1,700,000	(300,000)
SEE	160,000	100,000	100,000	-
Partnership Activities	100,000	800,000	1,400,000	600,000
Capacity Building	1,500,000	240,000	360,000	120,000
FHAP Total	23,500,000	24,400,000	25,000,000	600,000

Limited English Proficiency Initiative (LEPI)

LEPI is a direct initiative to ensure HUD compliance with Executive Order 13166. This federal mandate requires agencies to assess and address the needs of otherwise eligible persons seeking access to federally conducted programs and activities who, because of limited English proficiency (LEP), cannot fully and equally participate in or benefit from such programs and activities. At HUD, FHEO solely manages the Language Access Services program, which is utilized across the entire Department. This program currently offers free translation and interpretation services to the public.

The request for additional funding will have a significant and measurable impact on HUD’s efforts to provide meaningful access to LEP persons. The increase in funding will allow all of HUD, through FHEO, to: 1) continue efforts to expand its language access services; 2) provide targeted and engaging customer-centric outreach materials and HUD products in multiple languages; and 3) expand community-focused efforts to reach LEP populations using human-centered design approaches, which will result in effective promotion of HUD programs to LEP individuals.

Limited English Proficiency Initiative (LEPI)	2020 Enacted	2021 Enacted	2022 Request	2021 vs. 2022
Limited English Proficiency Initiative (LEPI)	350,000	350,000	1,000,000	650,000

National Fair Housing Training Academy (NFHTA)

The National Fair Housing Training Academy (NFHTA) exists to build the knowledge, skills, and capacity of FHIP and FHAP agency leadership and staff to combat housing discrimination. This is done by providing technical assistance that is grounded in the needs and wisdom of fair housing practitioners in the field. Through its cutting-edge, virtual, instructor-led courses and 90-minute National Fair Housing Forums on emerging fair housing issues, NFHTA is cultivating and convening generations of fair housing practitioners who will conduct quality, thorough, and timely investigation, and enforcement of fair housing cases.

At the requested \$3 million funding level, NFHTA will expand beyond its current foundational courses and offerings to offer intermediate and advanced trainings that collaboratively align state, local, and private fair housing agencies, and other stakeholders around emerging issues of national importance. This includes building cultural competencies and skills to prevent and combat housing discrimination on the basis of sexual orientation and gender identity. NFHTA will also convene training around fair housing regulations that directly affect the work of FHIP and FHAP partners. This training includes educating fair housing practitioners to use data, mapping, and analytics in investigations.

The requested funding level will allow NFHTA to pivot from an exclusively virtual world to a blend of in-person (when safe), virtual courses, regional trainings, a national policy conference, and other offerings designed to prepare fair housing practitioners to replicate success around the country like that garnered in the recent case of *David Jackson v. CFU Shelton Knoll, LLC*, from the Charlotte-Mecklenburg County, NC FHAP. In this case, the complainant requested a reasonable accommodation related to his accessible parking spot. The FHAP agency successfully conciliated the complaint and obtained individual relief and public interest relief including, \$10,000 in damages, as well as two years of free rent for the complainant, revision of the housing provider’s reasonable accommodation/reasonable modification policy, and fair housing training.

The increased investment in NFHTA means increased investment in fair housing practitioners’ capacity to understand and drive forward innovations and changes in the way FHIP and FHAP agencies work and interrelate with the people they serve. Specifically, NFHTA will expand fair housing practitioners’ capacity to communicate in an engaged and effective manner with stakeholders in concert with HUD’s National Media Campaign. NFHTA will work alongside other FHEO offices to engage Historically Black Colleges and Universities (HBCUs) and their leadership and students. This may include curriculum and content development and delivery. NFHTA will join the table to evaluate training needs that stem from FHEO’s listening sessions related to racial equity.

NFHTA intends to build upon its 2020 overall course satisfaction rate of 98 percent (with 195 FHIP and FHAP course registrants). This will be done by launching a robust engagement strategy that inspires fair housing practitioners to identify and find their training needs on the NFHTA website, providing tailored on-demand technical assistance to meet varying organizational needs, and deploying a searchable online resource library filled with technical assistance by key topics.

HUD will continue to evaluate the effectiveness of NFHTA’s offerings through a variety of short and long-term measures. HUD has determined the core competencies needed to conduct quality, timely and comprehensive investigations include knowledge of fair housing law and policies, data analysis, knowledge and application of investigative techniques, conciliation and mediation techniques and

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application. In the short term, HUD will evaluate the quality of the training and increased knowledge (including pre- and post-tests). Over the long term, based on the core competencies, HUD will evaluate the gaps between current and needed proficiency levels to effectively support quality investigations.

National Fair Housing Training Academy (NFHTA)	2020 Enacted	2021 Enacted	2022 Request	2021 vs. 2022
National Fair Housing Training Academy (NFHTA)	\$1,500,000	\$1,500,000	\$3,000,000	\$1,500,000

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2020 Budget Authority	2019 Carryover Into 2020	2020 Total Resources	2020 Obligations	2021 Appropriation	2020 Carryover Into 2021	2021 Total Resources	2022 President's Budget
Fair Housing Initiatives Program	45,950,000	39,600,000	85,550,000	74,494,237	66,305,000	10,795,881	77,100,881	56,000,000
Fair Housing Assistance Program	25,000,000	6,250,072	31,250,072	27,240,937	24,400,000	4,007,024	28,407,024	25,000,000
Fair Housing Limited English Proficiency Program	350,000	136,764	486,764	406,615	350,000	201,792	551,792	1,000,000
National Fair Housing Training Academy	1,500,000	750,000	2,250,000	1,458,823	1,500,000	1,500,000	3,000,000	3,000,000
Total	72,800,000^{a/}	46,736,836	119,536,836	103,600,612^{c/}	92,555,000^{d/}	16,504,697^{b/}	109,059,697	85,000,000

a/ 2020 Budget Authority includes FHIP and FHAP CARES ACT supplemental funding.

b/ 2020 Carryover includes \$750,000 in recaptured funds from an expired NFHTA contract. These funds were obligated on a new contract in 2021.

c/ 2020 Obligations include CARES ACT supplemental funding.

d/ 2021 Appropriation includes FHIP ARP supplemental funding. Amount differs from Budget Appendix due to rounding.

LEGISLATIVE PROPOSALS AND GENERAL PROVISIONS

General Provision

The 2022 President’s Budget proposes to continue the following General Provision included in the 2021 appropriations bill:

Fair Housing Act Investigations and Prosecutions: This section makes clear that the Department will not use its authority under the Fair Housing Act to investigate or prosecute legal activity. (2022 President’s Budget, Sec. 202)

APPROPRIATIONS LANGUAGE

The 2022 President’s Budget includes proposed changes in the appropriations language listed below. New language is italicized, and language proposed for deletion is bracketed.

FAIR HOUSING ACTIVITIES

For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601 et seq.), and section 561 of the Housing and Community Development Act of 1987 (42 U.S.C. 3616a), [*\$72,555,000*] *\$85,000,000*, to remain available until

September 30, [2022] *2023: Provided*, That notwithstanding section 3302 of title 31, United States Code, the Secretary may assess and collect fees to cover the costs of the Fair Housing Training Academy, and may use such funds to develop on-line courses and provide such training: *Provided further*, That none of the funds made available under this heading may 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, [\$350,000] \$1,000,000 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. (*Department of Housing and Urban Development Appropriations Act, 2021.*)