

Fair Housing Programs

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Administering Agency: The U.S. Department of Housing and Urban Development's (HUD) Office of Fair Housing and Equal Opportunity (FHEO)

Year Started: The Fair Housing Assistance Program (FHAP) was created in the federal "Fair Housing Act" in 1968. The Fair Housing Initiatives Program (FHIP) was created in the "Housing and Community Development Act of 1987."

Number of Persons/Households Served: According to the [2022 Fair Housing Trends Report](#), in 2021 organizations primarily funded by FHIP investigated 22,674 complaints of housing discrimination, and local or state civil and human rights government agencies that participate in FHAP processed 6,413 complaints, and HUD FHEO processed 2,093 complaints in its administrative complaint process.

Population Targeted: Protected classes under the Fair Housing Act are based on race, national origin, color, religion, sex, familial status, and disability.

Funding: \$56 million for FHIP, \$25 million for FHAP, and \$88 million for HUD FHEO Salaries and Expenses in FY22.

See Also: For related information, refer to the *Affirmatively Furthering Fair Housing* section of this *Guide*.

The federal "Fair Housing Act" protects the public from discrimination on the basis of race, national origin, color, religion, sex, familial status, and disability in all housing transactions, public and private. HUD has also applied the Supreme Court's decision in *Bostock v. Clayton County*, 140 S. Ct. 1731, 590 U.S. (2020) to the Fair Housing Act's prohibition on sex discrimination to prohibit discrimination based on sexual orientation or gender identity in HUD-assisted housing and housing insured by the Federal Housing

Administration.

ADMINISTRATION

HUD's Office of Fair Housing and Equal Opportunity (FHEO) is responsible for administering FHIP, FHAP, and HUD's investigation of fair housing and fair lending complaints submitted through its administrative complaint process. The Civil Rights Division of the U.S. Department of Justice (DOJ) may also investigate complaints and is responsible for litigating on behalf of the federal government in cases of fair housing and fair lending violations. DOJ also retains exclusive fair housing authority over complaints the government receives involving zoning, land use, and pattern and practice cases.

HISTORY AND PURPOSE

The federal Fair Housing Act was passed in 1968 and amended in 1974 to prohibit discrimination on the basis of sex. In 1988, the Fair Housing Act was amended to prohibit discrimination based on familial status and disability status, as well as to provide additional enforcement powers to HUD to better implement the goals and purpose of the Act. FHIP and FHAP were created as a means of carrying out the objectives of the act.

PROGRAMS SUMMARY

There are two federal programs that support enforcement of the Fair Housing Act. FHIP is a competitive grant program that funds private fair housing organizations serving local housing markets across the nation. FHAP reimburses state and local government agencies that enforce a local fair housing law that is substantively equivalent to the Fair Housing Act.

Fair Housing Initiatives Program

FHIP supports private nonprofit fair housing organizations in their efforts to provide education and outreach to the public and housing providers and to enforce the Fair

Housing Act by investigating allegations of rental, real-estate sales, homeowner insurance, and lending discrimination in their local housing markets. FHIP is a competitive grant program administered by FHEO. FHIP supports three primary activities: The Private Enforcement Initiative enables qualified private nonprofit fair housing enforcement organizations to conduct complaint intake, testing, investigations, and other enforcement activities. The Education and Outreach Initiative funds organizations to educate the public about fair housing rights and responsibilities and local housing providers about how to comply with the law. The Fair Housing Organizations Initiative builds the capacity and effectiveness of fair housing organizations and funds the creation of new organizations. According to the [2022 Fair Housing Trend's Report](#), in 2021, FHIP-funded organizations investigated over 22,674 complaints of housing discrimination across the country, more than twice that of all state and federal agencies combined and over three times as many as local and state government agencies participating in HUD's FHAP program combined during the same period.

Fair Housing Assistance Program

State and local government agencies certified by HUD to enforce state or local fair housing laws that are substantially equivalent to the Fair Housing Act receive FHAP funds. HUD funds FHAP agencies by reimbursing them based on the number of cases they successfully process. In addition, FHAP funds help cover administrative expenses and training. New FHAP organizations receive three years of capacity building funding before moving to the reimbursement phase. According to the [2022 Fair Housing Trend's Report](#), in 2021, FHAP entities investigated 6,413 complaints of housing discrimination.

FUNDING

The FY22 enacted budget is \$56million for FHIP and \$25 million for FHAP. At least \$73.5 million, including \$5 million for a systemic testing program, must be provided for the FHIP program going forward. FHAP must be funded at \$35.2

million.

An increased FHIP appropriation would provide fair housing groups with the capacity to address larger systemic issues, such as discriminatory sales practices, insurance policies, and bringing about investigations into increasingly harmful blanket policies that have a widespread impact on available housing choice in entire markets. FHIP must also be increased to allow for private nonprofit fair housing organizations to address discrimination based on sexual orientation and gender identity to fully implement the *Bostock decision*, as well as to continue to address discrimination in mortgage lending, home appraisals, and the increasing use of artificial intelligence and machine learning which may discriminate against protected classes.

FORECAST FOR 2023

Advocates should call on Congress to increase funding for FHIP and FHAP and annual increases of 3% to ensure grantees can retain their highly trained staff and attract new fair housing experts to the field. Advocates must also advocate for increased funding for salaries and expenses to better staff HUD's Office of Fair Housing and Equal Opportunity, which is responsible for processing complaints submitted through HUD's administrative complaint portal by the public and FHIP grantees, ensuring housing and community development programs affirmatively further fair housing, and managing FHIP and FHAP. These funds are critical to ensuring that locally based nonprofit fair housing enforcement organizations and city and state civil and human rights agencies have the necessary resources to investigate and address various emerging issues. This includes increasingly complicated and systemic discrimination in housing, lending, and insurance products and services that rely on artificial intelligence and machine learning; sexual orientation and gender identity discrimination; appraisal discrimination; and source of income discrimination.

TIPS FOR LOCAL SUCCESS

Individuals and advocates who suspect or observe a fair housing violation, including a failure to affirmatively further fair housing, should contact a local fair housing organization, the National Fair Housing Alliance, or submit a request for assistance using the “Report Housing Discrimination” feature at www.nationalfairhousing.org.

Fair housing complaints can be submitted to local fair housing organizations, state or local government agencies, or HUD.

Individuals who experience hate crimes in a dwelling should call the local authorities, but they should also reach out to their local fair housing organization or the National Fair Housing Alliance. The Fair Housing Act has a criminal section that protects victims of certain hate crimes at their place of dwelling.

Advocates working with distressed homeowners who believe they may have been victims of lending discrimination should encourage borrowers to submit mortgage complaints to the Consumer Financial Protection Bureau (CFPB). Individuals and advocates may submit mortgage complaints by visiting www.consumerfinance.gov or by calling 855-411-CFPB (2372). Non-English speakers can receive information and submit mortgage complaints in 200 languages by calling the CFPB.

WHAT TO SAY TO LEGISLATORS

Advocates should speak to legislators with the message that local nonprofit private fair housing organizations investigate 2.6 times as many fair housing complaints as all local and federal government agencies combined. According to the 2022 Fair Housing Trends Report, the number of housing discrimination complaints increased significantly in 2021, despite the fact there were fewer agencies reporting complaint data. There were 31,216 housing complaints in 2021, an 8.7 percent increase over the number of complaints filed in 2020. This important service is historically underfunded and as a result, fair housing and fair lending violations remain under-

reported and unaddressed. Advocates should also urge legislators to increase funding for FHAP to better support the work of local and state civil and human rights agencies that HUD relies on to process administrative complaints. Funding for FHIP should be at least \$73.2 million, including \$5 million for a systemic testing program, and funding for FHAP should be \$35.2 million going forward. Advocates should also urge Congress to provide \$153 million for salaries and expenses to HUD’s Office of Fair Housing and Equal Opportunity. HUD FHEO has been chronically underfunded and has not received sufficient technology funding increases to meet the fair housing needs of the public.

FOR MORE INFORMATION

National Fair Housing Alliance, 202-898-1661, 800-910-7315, www.nationalfairhousing.org.