

# 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 of 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 NFHA's [2023 Fair Housing Trends Report](#), in 2022 organizations primarily funded by FHIP investigated 24,404 complaints of housing discrimination, local or state civil and human rights government agencies that participate in FHAP processed 6,652 complaints, and HUD FHEO processed 1,915 complaints in its administrative complaint process. **This represents the highest number of fair housing complaints recorded since NFHA began releasing its Fair Housing Trends Reports.**

A total of 33,007 complaints were filed in 2022, 5.74% higher than the 31,216 complaints filed in 2021 and 5.78% higher than the 31,202 complaints filed in 2018.

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

**Funding:** \$56 million for FHIP, \$26 million for FHAP, and \$97 million for HUD FHEO Salaries and Expenses in FY23.

**See Also:** For related information, refer to the *Affirmatively Furthering Fair Housing* section of this *Advocates' 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 to prohibit discrimination based on race, national origin, color, and religion. The Fair Housing Act was 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 and to provide additional enforcement powers to HUD to better implement the goals and purpose of the Act. FHIP and FHAP were created to carry out the objectives of the Act. The Fair Housing Act has a dual purpose, including eliminating discrimination and affirmatively furthering fair housing (AFFH). The AFFH obligation requires recipients of federal housing and community development dollars to do more than stop discrimination; they must take active steps to tackle residential segregation and housing

inequality. They are responsible for creating inclusive communities where everyone has access to the resources and amenities necessary to thrive. While it is a well-known fact that HUD has clear AFFH responsibilities, all federal executive level agencies, including the U.S. Department of Treasury, U.S. Department of Transportation, U.S. Department of Commerce, and the U.S. Environmental Protection Agency, share in this mandate. For more on AFFH, please see the *AFFH* section of this *Advocates' Guide*.

## PROGRAM SUMMARIES

Two federal programs support enforcement of the Fair Housing Act. FHIP is a competitive grant program that funds private fair housing organizations serving local housing markets throughout the nation. FHAP reimburses state and local government agencies that enforce a local fair housing law that is substantially 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, appraisal bias, lending discrimination, exclusionary zoning requirements, and property tax bias in their local housing markets. FHIP is a competitive grant program administered by FHEO. FHIP supports three primary activities:

- The Private Enforcement Initiative, which enables qualified private non-profit 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 NFHA's [2023 Fair Housing Trends Report](#), in 2022, FHIP-funded organizations investigated 24,404 complaints of housing discrimination. The **2022 complaint data shows that private fair housing organizations continued to process the majority of housing discrimination complaints reported throughout the country.** Private, non-profit fair housing organizations processed 73.94% of complaints, compared to 5.8% by HUD, 20.15% by FHAP agencies, and 0.11% by DOJ.

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 process successfully. 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 [2023 Fair Housing Trend's Report](#), in 2022, FHAP entities investigated 6,652 complaints of housing discrimination.

## FUNDING

The FY23 enacted budget is \$56 million for FHIP and \$26 million for FHAP. According to fair housing and civil rights advocates, at least \$75.7 million, including \$5 million for a systemic testing program, must be provided for the FHIP program going forward. FHAP must be funded at \$36.6 million.

An increased FHIP appropriation would provide fair housing groups with the capacity to address larger systemic issues, such as discriminatory sales practices, insurance industry policies, and to investigate increasingly harmful algorithmic bias policies that have a widespread impact on available housing choice in entire markets. FHIP must also be increased to allow for private non-profit 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 2024

Advocates should call on Congress to increase funding for FHIP and FHAP 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. Increased funds will also be necessary to ensure that HUD can implement the soon-to-be released final AFFH regulation. These funds are critical to ensuring that locally based non-profit 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](http://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](http://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 meet with legislators and seek increased funding for local fair housing enforcement agencies as overall complaints of housing discrimination were 5.74% higher in 2022 than in 2021, and the data revealed an increase in complaints based on source of income and domestic violence specifically.

**In fact, the 33,007 fair housing complaints received in 2022 by private non-profit fair housing organizations, HUD, FHAP agencies and the DOJ, represent the highest number of complaints ever reported in a single year.**

Private, non-profit fair housing organizations provide the largest support for people alleging housing discrimination. These groups processed 73.94% of complaints filed in 2022 compared to 5.8% processed by HUD, 20.15% by FHAP agencies, and 0.11% by DOJ. Historically, the FHIP program was 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 \$75.7 million, including \$5 million for a systemic testing program, and funding for FHAP should be \$36.6

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](http://www.nationalfairhousing.org).