

Fair Housing Programs

Updated by Monica L. Reid, Director of Advocacy and Government Affairs, National Fair Housing Alliance

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 [2024 Fair Housing Trends Report](https://bit.ly/3Ry2kOZ): <https://bit.ly/3Ry2kOZ>, in 2023, organizations primarily funded by FHIP investigated 25,789 complaints of housing discrimination, local or state civil and human rights government agencies that participate in FHAP processed 6,577 complaints, HUD FHEO processed 1,742 complaints in its administrative complaint process, and the Department of Justice processed 42 complaints. This represents the highest number of fair housing complaints recorded since NFHA began releasing its Fair Housing Trends Reports. A total of 34,150 complaints were filed in 2023, 3.5% higher than the 33,007 complaints filed in 2022.

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 \$86 million for HUD FHEO Salaries and Expenses in FY24.

See Also: For related information, refer to the *Affirmatively Furthering Fair Housing (AFFH)* 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 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 information, refer to the *Affirmatively Furthering Fair Housing (AFFH)* section of this guide.

Programs Summary

Two federal programs support enforcement of the Fair Housing Act. The Fair Housing Initiatives Program (FHIP) is a competitive grant program that funds private fair housing organizations serving local housing markets throughout the nation. The Fair Housing Assistance Program (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 [2024 Fair Housing Trends Report: https://bit.ly/3Ry2kOZ](https://bit.ly/3Ry2kOZ), in 2023, FHIP-funded organizations investigated 25,789 complaints of housing discrimination. The 2023 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 75.52% of complaints, compared to 5.1% by HUD, 19.26% by FHAP agencies, and 0.12% by DOJ.

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 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 [2024 Fair Housing Trend's Report: https://bit.ly/3Ry2kOZ](https://bit.ly/3Ry2kOZ), in 2023, FHAP entities investigated 6,577 complaints of housing discrimination.

Funding

The FY24 enacted budget includes \$56 million for FHIP and \$26 million for FHAP. According to fair housing and civil rights advocates, at least

\$125 million 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 on a prohibited basis.

Forecast for 2025

Advocates should continue to 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 (FHEO), 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 will be 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.
- 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, as well as 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 meet with legislators and seek increased funding for local fair housing enforcement agencies. Key talking points to highlight:

- Overall complaints of housing discrimination were 3.5% higher in 2023 than in 2022.

- The data revealed a noticeably steep increase in the number of harassment complaints, particularly harassment based on color or race, which skyrocketed by 470.59%.
- In fact, the 34,150 fair housing complaints received in 2023 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.
- This is the third year in a row in which that milestone has been met.

Additional key talking points to highlight when advocating for additional funding for FHIP:

- Private, non-profit fair housing organizations provide the largest support for people alleging housing discrimination. These groups processed 75.52% of complaints filed in 2023.
- Historically, the FHIP program has been underfunded and as a result, fair housing and fair lending violations remain under-reported and unaddressed.
- Funding for FHIP should be at least \$125 million.

In addition to increased funding for FHIP, advocates should also urge legislators to increase funding for FHAP. Key talking points include:

- FHAP agencies play an important role in handling complaints filed through HUD's administrative complaint process.
- FHAP agencies processed 6,577 complaints in 2023, representing 19.26% of complaints.
- Additional funding is needed for FHAP agencies to better support the work of local and state civil and human rights agencies that HUD relies on to process administrative complaints.
- Funding for FHAP should be \$36.6 million going forward.

Lastly, advocates should also urge Congress to provide \$153 million for salaries and expenses for HUD's Office of Fair Housing and Equal Opportunity (FHEO). Key talking points include:

- HUD FHEO has been chronically underfunded, leading to significant delays in complaint investigations by HUD staff, and other program administration delays that affect justice for victims of discrimination.
- Funding for HUD FHEO should be \$153 million going forward.

It will be important to drive home that now is not the time to cut funding to fair housing enforcement programs, as the nation continues to grapple with an unprecedented fair and affordable housing crisis. Use of the national housing discrimination complaint data will help to support this statement. Also consider incorporating state and local data, as well as any applicable examples.

Additionally, it will become increasingly important for advocates to personalize their messaging and tactics in driving home the value and importance of fair housing enforcement programs. For national organizations with state and local members or chapters, consider utilizing your membership as credible messengers for your narrative and talking points, allowing them to be the voice of what is happening in their communities. In your narrative and messaging, make sure to demonstrate how what you are advocating will impact the elected officials' district and state. Also consider incorporating other local partners impacted by these issues.

For More Information

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