July 14, 2025

The Honorable Cindy Hyde-Smith Chair

Subcommittee on Transportation, Housing, and Urban Development &

Related Agencies

Senate Appropriations Committee

Washington, D.C. 20515

The Honorable Steve Womack

Chair

Subcommittee on Transportation, Housing and Urban Development, and Related

Agencies

House Appropriations Committee

Washington, D.C. 20515

The Honorable Kristen Gillibrand
Ranking Member
Subcommittee on Transportation,
Housing, and Urban Development &
Related Agencies

Senate Appropriations Committee

Washington, D.C. 20515

The Honorable Jim Clyburn

Ranking Member

Subcommittee on Transportation, Housing and Urban Development, and Related

Agencies

House Appropriations Committee

Washington, D.C. 20515

Dear Chair Hyde-Smith, Ranking Member Gillibrand, Chair Womack, and Ranking Member Clyburn:

The undersigned organizations represent local fair housing organizations, housing providers, civil rights organizations, and other organizations who share the belief that fair housing is a fundamental right, meaning that everyone — no matter their race, gender, background, or identity — should have a fair opportunity to access a safe, affordable place to live in a healthy, vibrant community.

The administration has provided recommendations on discretionary spending levels for fiscal year (FY) 2026, that would have a devasting impact on our nation's most vulnerable populations-disabled veterans, seniors, people with disabilities, survivors of domestic violence, families with children, people of color, and more- and only worsen the fair and affordable housing crisis.

Despite the nation's escalating <u>fair</u> and <u>affordable</u> housing crisis, the administration's FY26 proposed budget would result in:

• Eliminating the local Fair Housing Initiatives Program (FHIP), which was created under the Reagan administration and funds cost-effective, local nonprofits that ensure access to housing opportunity free of discrimination for seniors, disabled veterans, people with disabilities, people of color, families with children, women, people of faith, and more;

- Allocating only \$26 million for the state/local Fair Housing Assistance Program
 (FHAP) with no new money to make up for cutting other fair housing programs and
 failing to recognize that 12 states and many localities do not have FHAP-funded
 agencies to assist victims of housing discrimination; and
- Allocating only \$55 million for the Department of Housing and Urban Development's (HUD) Office of Fair Housing and Equal Opportunity (FHEO), which cuts \$31 million from its current budget. FHEO is already under-funded, resulting in insufficient staffing levels. The administration's proposed cuts will significantly reduce FHEO's staff at a time when complaints of discrimination are at an all-time high. The cuts will further reduce FHEO's ability to effectively serve people seeking housing free of discrimination. This approach is troubling, especially as algorithms are increasingly determining people's housing outcomes and making discrimination more difficult to detect.

These harmful cuts will not result in efficiencies and instead will hurt everyday people trying to secure housing free of discrimination with the ability to live and thrive in well-resourced communities. The President's budget proposal ignores the importance of fair housing, including:

- Fair housing has long enjoyed bipartisan support: The Fair Housing Initiative Program (FHIP) was created in 1987 under President Reagan to establish and support a network of highly experienced private fair housing enforcement organizations throughout the nation to foster compliance with the Fair Housing Act and state and local fair housing laws as well as provide enforcement and education. FHIP funding is the only federal resource for local, nonprofit, private enforcement and fair housing services.
- FHIP provides critical local resources to protect housing opportunity: In 2023, FHIP-funded organizations processed over 75 percent of all housing discrimination complaints filed, during a time where we are seeing a record number of complaints.
- Local fair housing organizations provide a cost-efficient resolution to complaints: If FHIP is eliminated, the work done by local fair housing organizations will stop and direct assistance will not be provided to people who are facing housing discrimination. Without local advocacy, victims of discrimination all over the country will have no recourse and will be at risk of losing their housing for discriminatory reasons based on their race, religion, ethnicity, family status, sex, or disability. This will be devastating during the nation's fair and affordable housing crisis and could result in more people becoming homeless.

Additionally, the administration's justification for the cuts to HUD's fair housing programs is based on the erroneous assertion that state and local enforcement agencies funded through HUD's Fair Housing Assistance Program (FHAP) processed about 75 percent of the nation's fair housing complaints. In fact, <u>research</u> shows that local, nonprofit fair housing organizations funded through HUD's Fair Housing Initiatives Program (FHIP) actually processed 75 percent of all housing discrimination complaints as compared to only 19

percent processed by FHAP agencies, 5 percent processed by HUD, and 0.12 percent processed by the U.S. Department of Justice. In reality, local fair housing organizations process more than 3.5 times as many complaints as all of the government agencies combined.

Local fair housing organizations help people fight sexual harassment, appraisal bias, lending redlining, racial steering, excessively restrictive zoning ordinances, unfair evictions, and other forms of discrimination. They also educate the public about fair housing laws, help local communities expand fair and affordable housing opportunities, and promote efforts that increase economic opportunities in under-resourced areas. Without local fair housing organizations on the ground serving their communities, everyday people will be unfairly denied housing opportunities, resulting in more people becoming homeless and/or facing housing insecurity.

We urge you to consider the plight of individuals and families simply seeking housing free of discrimination and the opportunity to live and thrive in well-resourced communities. As such, we encourage you to fund the nation's critically important fair housing programs, including the Fair Housing Initiatives Program (FHIP) to sustain existing local fair housing organizations who are helping victims of discrimination; addressing growing systemic discrimination in home appraisals, housing and lending outcomes; tackling bias in artificial intelligence systems; and rooting out other emerging forms of housing discrimination that limit economic opportunity.

Sincerely,

State Organizations

Alabama
Accessible Alabama
AIDS Alabama
Fair Housing Center of Northern Alabama
Mephibosheth LLC

Arizona
Southwest Fair Housing Council
William E. Morris Institute for Justice

California
Brancart & Brancart
California Community Living Network
Center For Independence of Individuals with Disabilities
Housing Rights Committee of San Francisco
Rise Economy
Western Center on Law & Poverty

Georgia

Metro Fair Housing Services, Inc.

Idaho

Intermountain Fair Housing Council, Inc.

Illinois

Access Living

Chicago Area Fair Housing Alliance

Law Center for Better Housing

The Network: Advocating Against Domestic Violence

Kansas

Kansas Appleseed Center for Law and Justice, Inc.

Louisiana

Louisiana Fair Housing Action Center

Maryland

Public Justice Center

Massachusetts

Massachusetts Action for Justice

Michigan

Fair Housing Center of West Michigan

Minnesota

Mid-Minnesota Legal Aid

Missouri

ArchCity Defenders

New York

Empire Justice Center

Ohio

Fair Housing Resource Center

Virginia

Legal Aid Justice Center

Injustice Reform Network

Multistate Organizations

The Redress Movement (CO, NE, NC, WI)

National Organizations

Access Ready, Inc.

Center for LGBTQ Economic Advancement & Research (CLEAR)

Center for Responsible Lending

Coalition on Human Needs

Consumer Action

Housing Assistance Council

J Gould Consulting

Justice in Aging

The Kelsey

The Leadership Conference on Civil and Human Rights

NAACP Legal Defense and Educational Fund, Inc.

National Alliance to End Homelessness

National Association of Local Housing Finance Agencies

National Center for LGBTQ Rights

The National Coalition for Asian Pacific American Community Development (National CAPACD)

National Community Reinvestment Coalition (NCRC)

National Disability Rights Network (NDRN)

National Fair Housing Alliance

National Housing Law Project

National Low Income Housing Coalition

National Women's Law Center Action Fund

New Disabled South

Poverty & Race Research Action Council

Pulmonary Hypertension Association