DEADLINE: Monday, March 25th, 2019 COB

Dear Colleague,

Access to housing, free from discrimination, for all Americans is a fundamental principle of a just society. Robust enforcement capabilities at HUD and local fair housing education efforts are more critical than ever at a time when our communities face increased discrimination in all aspects of public life. That is why we invite you to join us in requesting that the Transportation, Housing and Urban Development, and Related Agencies (Transportation-HUD Appropriations Subcommittee) support of \$102 million for 750 Full-Time-Equivalent staff at HUD's Office of Fair Housing and Equal Opportunity, \$52 million in funding for the Fair Housing Initiatives Program (FHIP) and \$35.2 million for the Fair Housing Assistance Program (FHAP) for Fiscal Year 2020.

Since the passage of the Fair Housing Act in 1968, our nation has made progress in addressing housing discrimination. However, housing discrimination continues to remain a harsh reality for many Americans.

FHEO is the office at HUD responsible for administering HUD's fair housing grant programs, its own administrative complaint process to investigate and adjudicate fair housing complaints from the public, and monitor compliance of its own programs with the Fair Housing Act.

FHIP is a competitive and performance-based grant program awarded by HUD under strict standards of review. Private, non-profit fair housing organizations use FHIP funds to educate the public and housing providers about housing discrimination. In addition, these private fair housing organizations help ensure that all tenants have fair access to housing by enforcing the Fair Housing Act.

Similarly, FHAP provides state and local agencies with the necessary funding for enforcing fair housing laws. For state and local agencies to receive funding, they must first be certified by HUD to enforce fair housing laws. Only after FHAP agencies receive certification do they receive reimbursement funding based on the number of cases they successfully processed. By providing these agencies with FHAP funding, we create incentives for states to assume responsibility for enforcing fair housing laws.

FHIP and FHAP are critical components of our nation's civil rights infrastructure. As such, I urge you to work with me to ensure that they receive adequate funding in FY 2020 sufficient to protect all of our constituents from housing discrimination.

To sign on, please complete this <u>Google Form</u> by March 25th, 2019. If you have any questions, please contact Tenzin (<u>Tenzin.Pelkyi@mail.house.gov</u>) in Rep. Al Green's office or Emma (<u>Emma.Mehrabi@mail.house.gov</u>) in Rep. Barbara Lee's office.

Al Green Barbara Lee

Member of Congress Member of Congress

Dear Chairman Price and Ranking Member Diaz-Balart,

As the Transportation, Housing and Urban Development, and Related Agencies (T-HUD) Appropriations Subcommittee determines appropriations levels for Fiscal Year 2020, we respectfully request funding of \$102 million to support 750 Full-Time-Equivalent staff at HUD's Office of Fair Housing and Equal Opportunity, \$52 million for the Fair Housing Initiatives Program (FHIP), as well as \$35.2 million for the Fair Housing Assistance Program (FHAP).

Our nation has a formidable set of laws that protect the right to choice in America, and it is no less true for the choices a family makes when they are considering where they want to raise a family, send their children to school, and live out their days in old age. However, as this Congress has faced steep budget concerns within the last decade, we have seen the resources that HUD, local governments, and private nonprofit fair housing agencies rely upon to effectively protect house choice erode.

HUD's Office of Fair Housing and Equal Opportunity (FHEO)

FHEO is responsible for administering FHIP, which supports private fair housing enforcement and education in local communities, including advocacy on behalf of victims in the complaint process; reimbursing state and local government agencies for complaints they investigate that include Fair Housing Act claims through the FHAP program; an administrative complaint process through which victims of housing discrimination can access justice without having to seek expensive legal counsel; and it oversees the compliance of HUD's own programs with the Fair Housing Act itself. Regrettably, FHEO has long-experienced a shortage in its staff.

Chronic understaffing at FHEO has consequences for the quality of services and justice that victims of housing discrimination can achieve. According to HUD regulation, filed complaints must be investigated within 100 days. When a case investigation goes past 100 days it is considered an "aged" case. The longer a case ages, the longer it takes for victims of discrimination to be made whole and for housing providers in violation of the Fair Housing Act to correct any discriminatory behavior. In 2017, HUD had 895 cases that became aged during that same year, and it had 941 cases that were already considered aged at the beginning of the fiscal year. During the same time periods, FHAP agencies had 3,994 cases that became aged and 1,393 cases that were already considered aged at the beginning of the fiscal year.

As FHEO's staffing has decreased, it has become increasingly reliant on FHAP agencies to process filed cases, placing the burden of its understaffing on state and local agencies as funding for the FHAP program has decreased. Understaffing at FHEO as also resulted in serious delays in the FHIP Notice of Funding Availability, causing serious funding gaps and delays in the continuation of existing 3-year enforcement grants that FHIP recipients have already planned for. FHEO also requires increased funding to assist in the development of expertise in the areas of data science, discrimination based on bias in algorithms that used to assess risk in mortgage lending as well as in online marketing of housing opportunities which may result in steering, and other emerging complexities in an increasingly automated and digitally based housing market.

Fair Housing Initiatives Program

Since its creation during the Reagan Administration, FHIP has helped many families access housing free from discrimination, and prepared local housing providers to better understand their responsibilities under the Fair Housing Act. FHIP is a competitive grant program that provides localized assistance to Americans who face housing and lending discrimination. It supports qualified, private, nonprofit fair housing organizations in their investigations of housing discrimination; as well as outreach to local housing providers so they better understand their fair housing responsibilities, and tenants so the public knows its rights. FHIP is only source of federal funding that supports these critically important fair housing services.

Qualified private organizations which receive FHIP grants investigate over 71% of all complaints each year - more than all local, state, or federal government fair housing enforcement agencies combined. These fair housing organizations are uniquely suited to address housing discrimination: they are mission-driven; operate as boots on the ground, so they are attuned to local housing-market dynamics; serve people of all income levels who face discrimination; and often achieve resolution for victims without the need for costly and time-consuming lawsuits.

As such, FHIP plays an important role in ensuring that limited time and resources are prioritized for meritorious fair housing complaints in the nation's court systems. In 2011, the Department of Housing and Urban Development (HUD) issued a study which expounded upon the role of FHIP grantees in filtering out cases that have no fair housing basis and do not merit investigations. The same study also noted that FHIP funds are especially important in the investigation of complicated fair housing cases that require specialized expertise. By vetting complaints of housing discrimination, fair housing organizations help avoid unnecessary lawsuits and administrative adjudication procedures that divert resources and time away from complaints of actual housing discrimination.

We are requesting more than the President's FY20 request for the FHIP program because this level of funding does not meet the known needs of direct fair housing services in the nation. Each year, over four million acts of housing discrimination occur in the rental housing market alone, yet less than one percent is reported. Current funding levels leave over a dozen states without a full-service private nonprofit fair housing organization. Existing FHIP-funded organizations struggle to maintain the level of education and enforcement activities in their local housing markets, retain experienced staff, or spend the resources to train new staff. Funding must be increased to better couple education and outreach with private enforcement that allows grantees to achieve productive outcomes that make victims of discrimination whole again.

Fair Housing Assistance Program

FHAP agencies also conduct cost-effective fair housing work. Designed to build coordinated intergovernmental enforcement of fair housing laws, FHAP provides incentives for states and localities to assume responsibilities for enforcing fair housing laws. State and local enforcement agencies elect to participate in the FHAP program. For an agency to receive funding, each FHAP agency must meet specific eligibility criteria and be certified by HUD to enforce state or local fair housing laws that are substantially equivalent to the federal Fair Housing Act. After

receiving certification, FHAP agencies receive HUD funding based on the number of cases they successfully process.

FHAP agencies currently struggle with the reimbursement rates HUD pays them. HUD reimburses FHAP agencies anywhere between \$2,800 and \$3,100. However, this reimbursement range is significantly lower than what agencies spend on case investigations, and FHAP agencies may receive as little reimbursement as \$1,400 per case if it is withdrawn without a charge, a factor which may be completely out of their control if, for example, a victim chooses to not proceed with an investigation. Of all the cases that reach the administrative complaint process, state and local agencies in the FHAP program file 84% of and their cases account for 78% of the resolutions of cases handled by HUD or FHAP agencies, according to HUD's FY17 Annual Report.

While our nation has made great strides in eliminating housing discrimination, too often families with children, women, people with disabilities, people of color, and religious minorities face unnecessary barriers to housing choice where they can have a fair shot at a safe and stable home. Whether by discriminatory ads barring children in apartments, or through unequal treatment of people of color in mortgage applications, housing discrimination has deep consequences in every neighborhood and for the people that experience it. We as a body must do everything in our power to support the efforts of fair housing organizations and work to increase the resources that support these important groups. We must do this to ensure our constituents have the opportunity to acquire the home of their dreams in the neighborhood of their choice where their children can prosper.

Funding HUD's Office of Fair Housing and Equal Opportunity at \$102 million to support 750 FTEs, and FHIP at \$52 million and FHAP at \$35.2 million in FY 2020 will help to support the important work of addressing housing discrimination and keeping housing opportunities available for every American. As you consider the FY 2020 T-HUD Appropriations bill, we request that you join us in our support for HUD's Office of Fair Housing and Equal Opportunity, and the FHIP and FHAP programs. We appreciate your attention to this important matter.

Sincerely,