

The Trump Administration's FY26 Budget Will Worsen the Fair and Affordable Housing Crisis

What's Happening

The National Fair Housing Alliance® (NFHA™) urges Congress to fully fund fair housing programs. As everyday Americans face an escalating fair and affordable housing crisis, President Trump's FY26 budget proposes a 44 percent cut to critical HUD programs, including:

- **eliminating the local Fair Housing Initiatives Program (FHIP)**, which was a program created under the Reagan Administration that funds cost-efficient, local nonprofits to ensure access to housing opportunities for seniors, disabled veterans, families with children, people with disabilities, women, people of color, 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 HUD's Office of Fair Housing and Equal Opportunity (FHEO)**, which cuts \$31 million from its current budget. FHEO is already under-funded and lacks sufficient staffing. The Trump administration's proposed cuts will significantly reduce FHEO's staff at a time when complaints of discrimination are escalating. The cuts will further reduce FHEO's ability to effectively serve people seeking housing free of discrimination, which is troubling especially as algorithms are increasingly determining people's housing outcomes and making the discrimination more difficult to detect.

Why It Matters

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. These cuts could also increase homelessness. 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 compared to 19 percent processed by FHAP agencies, 5 percent processed by HUD, and 0.12 percent processed by DOJ. Private fair housing enforcement agencies continue to process more than 2.5 times as many complaints as the government agencies combined.
- **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 potential 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, or disability. This will be devastating during the nation's fair and affordable housing crisis and could result in more people becoming homeless.

Call to Action

Join NFHA in [calling on Congress to fully fund the FHIP program](#) 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.

Key dates include: June 10th (House Budget Hearing re HUD); July 14th (House Subcommittee Markup re HUD); July 17th (House Full Committee Markup re HUD).