

# The Trump Administration's FY27 Budget Makes Fair and Affordable Housing Less Attainable for the People of America

## What's Happening

The National Fair Housing Alliance® (NFHA™) urges Congress to fully fund fair housing programs. As everyday people of America face an escalating fair and affordable housing crisis, President Trump's FY27 budget proposes a 12.7 percent cut to critical HUD programs, including:

- **Eliminating the local Fair Housing Initiatives Program (FHIP)**, which is a program created during the Reagan Administration that funds cost-efficient, community-based nonprofits to ensure fair access to housing opportunities for seniors, veterans, families with children, people with disabilities, women, people of color, people of faith, and more;
- **Eliminating funding for the National Fair Housing Training Academy (NFHTA)**, which currently provides fair housing training to FHIP and FHAP organizational partners. The Fair Housing Assistance Program (FHAP) funds state and local agencies to enforce fair housing laws substantially equivalent to the federal Fair Housing Act;
- **Eliminating the Limited English Proficiency Initiative (LEPI)**, at a time when there is a [record number](#) of complaints of housing discrimination based on national origin. The LEPI is designed to ensure that limited English Proficient (LEP) communities have fair access to information in their native languages on HUD programs, services and activities.
- **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 at least 12 states and many localities do not have FHAP-funded agencies to assist victims of housing discrimination, at a time when FHAP agencies are more necessary than ever before with HUD's retreat from active fair housing enforcement.
- **Allocating only \$62.6 million for HUD's Office of Fair Housing and Equal Opportunity (FHEO)**. As a result of last year's actions spearheaded by the so-called Department of Government Efficiency (DOGE), staffing levels at FHEO have been drastically reduced by 41.7 percent, and these proposed funding levels would lock in those staffing cuts. Even before DOGE's attacks, FHEO had been under-funded and under-staffed to do its important work, which includes implementing and enforcing the Fair Housing Act, operating and maintaining an administrative complaint process, investigating complaints from the public, taking enforcement actions, and referring complaints to the Department of Justice. FHEO also develops regulations to carry out the Fair Housing Act and monitor HUD's own programs to ensure they are serving all communities equitably. FHEO needs increased funding and to see a reversal of staffing cuts made by DOGE to ensure the office has the resources needed to effectively enforce the Fair Housing Act.

## Why It Matters

These harmful cuts will hurt communities across the country, including people with disabilities, families with children, and rural residents, trying to secure housing free of discrimination with the ability to live and thrive in well-resourced communities. These cuts could also increase homelessness, particularly for seniors who are the fastest segment of the population losing access to stable housing. The President's budget proposal ignores the essential role fair housing enforcement plays for everyday people:

- **Fair housing has long enjoyed strong, 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 federal Fair Housing Act and state and local fair housing laws as well as provide 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 2024](#), FHIP-funded organizations processed over 74 percent of all housing discrimination complaints filed, compared to roughly 21 percent processed by FHAP agencies, just under 5 percent processed by HUD, and 0.14 percent processed by DOJ. Private fair housing

enforcement agencies continue to process nearly 3 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 cease and direct assistance will not be provided to people who are facing potential discrimination. These victims of discrimination will be forced to rely on a bottlenecked system at HUD where complaints regularly go unanswered. 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 federally protected characteristics including race, color, national origin, religion, sex (including gender identity), 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

**Congress should fully fund the FHIP program** to sustain existing community-based, nonprofit fair housing organizations who are helping victims of discrimination; addressing growing systemic discrimination in home appraisals, improving housing and lending outcomes; tackling bias in artificial intelligence systems; and rooting out other emerging forms of housing discrimination that limit economic opportunity and stability for everyday people.