

**Vince Malta**  
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**July 1, 2020**

The Honorable David E. Price  
Chair  
House Transportation, and Housing  
and Urban Development, and Related  
Agencies Subcommittee  
2108 Rayburn House Office Building  
Washington, DC 20515

The Honorable Mario Diaz-Balart  
Ranking Member  
House Transportation, and Housing  
and Urban Development, and  
Related Agencies Subcommittee  
404 Cannon House Office Building  
Washington, DC 20515

Dear Chair Price and Ranking Member Diaz-Balart:

As you mark up the FY 2021 budget, the 1.4 million members of the National Association of REALTORS® ask you to support major increases in funding for fair housing activities and housing counseling in the FY 2021 budget. Specifically, NAR supports increases in Fair Housing Initiatives Program (FHIP) to support private nonprofit enforcement of the Fair Housing Act (the Act) and increased salaries and expenses for HUD's Office of Fair Housing and Equal Opportunity (FHEO), the primary federal office charged with administration of the Act. We also support strong funding for HUD's housing counseling program.

#### **Fair Housing**

In January 2020, NAR launched its Fair Housing Action Plan (ACT!) in order to increase accountability, culture change, and training among the real estate profession. We recognize ongoing discrimination in the real estate market perpetuates segregation and denies opportunity. The fight against housing discrimination is essential to the creation of a thriving housing market. Research by the Urban Institute and the Metropolitan Planning Council has shown that less segregated communities are not only more inclusive but more prosperous<sup>1</sup>. They promote higher household income for racial minorities, less crime, and higher education attainment and longer life expectancy for people of all backgrounds. All of these factors produce better environments for homeowners. Increases in FHIP and FHEO are consistent with NAR's ACT! initiative which calls for greater accountability, culture change, and training among our industry.

Today the American people are calling on institutions across the country to make stronger commitments to eradicate systemic discrimination. NAR supports a strong FHIP program, in recognition that paired testing, as conducted by qualified fair housing organizations, is critical to exposing and redressing unlawful housing discrimination. Without paired testing, which provides documentary evidence of how housing providers treat people of different backgrounds, many would never be aware of the ongoing discrimination in the sales and rental markets.

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<sup>1</sup> <https://www.urban.org/urban-wire/less-segregated-communities-arentonly-more-inclusive-theyre-more-prosperous>

NAR has already expressed its support for H.R. 149, offered by Representative Al Green, which provides \$58 million for FHIP in FY2021. H.R. 149 would increase the funding for private fair housing enforcement activities by 30 percent, a meaningful increase for a program that currently constitutes a small percentage of HUD's overall budget.

In voicing its support for fair housing testing, NAR emphasizes that adequate funding must be made available to ensure testers are well trained, and adhere to the highest standards. Poorly-conducted tests unfairly tarnish our members and the reputations of the entire fair housing community. We strongly support Representative Green's proposal that HUD develop standards that promote high-quality testing throughout FHIP. We also believe the quality of FHIP work depends significantly on HUD's timely execution of grant agreements. Increased funding for HUD's Office of FHEO will ensure HUD has sufficient personnel to administer this critical fair housing program. Also, as FHIP brings cases to HUD, more staff for FHEO will ensure those cases are quickly and impartially investigated.

Finally, NAR supports \$23.9M for the Fair Housing Assistance Program (FHAP), as proposed in the President's FY2021 budget. FHAP reimburses State and local governments for the projected number of complaints those agencies will investigate under state and local laws substantially-equivalent to the federal Fair Housing Act.

### **Housing Counseling**

The economic fallout of Covid-19 pandemic threatens the housing situation of so many Americans. As forbearance measures end, many homeowners may be struggling with their repayment plans. Housing counseling could be an effective tool to help them stay in their homes after the pandemic.

Studies suggest that homeowners who receive foreclosure mitigation counseling are almost three times more likely to receive a loan modification and are 70 percent less likely to default on a modified loan than similar borrowers who were not counseled. In addition, pre-purchase homeownership education and counseling provides potential buyers with tools and information to help them make housing choices that are affordable and sustainable. Buyers who participate in education and counseling programs are less likely to experience mortgage delinquencies and foreclosures.

REALTORS® support diverse, sustainable communities. Strong funding for fair housing and housing counseling can help accomplish this. We ask for your support.

Sincerely



Vince Malta  
2020 President, National Association of REALTORS®

cc: The Honorable Nita M. Lowey  
Chairwoman  
House Committee on Appropriations

The Honorable Kay Granger  
Ranking Member  
House Committee on Appropriations