AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 68
OFFERED BY MR. GREEN OF TEXAS

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Housing Fairness Act of 2022”.

SEC. 2. TESTING FOR DISCRIMINATION.

(a) ELIGIBLE ACTIVITY UNDER FHIP.—Subsection (a) of section 561 of the Housing and Community Development Act of 1987 (42 U.S.C. 3616a(a)) is amended—

(1) in the matter preceding paragraph (1), by inserting after “discriminatory housing practices” the following: “or, in the case of grants or contracts for activities under paragraph (3) with qualified fair housing enforcement organizations (as such term is defined in subsection (h) of this section) that have demonstrated expertise in managing and implementing regional or national testing programs to address systemic fair housing issues”;

(2) in paragraph (1), by striking “and” at the end;
(3) in paragraph (2), by striking the period at the end and inserting “; and”; and

(4) by adding at the end the following:

“(3) programs of regional or national testing and investigations to (i) detect and document differences in the treatment of persons seeking to rent or purchase housing or obtain or refinance a home mortgage loan, and measure patterns of differential treatment because of the status of a renter, home buyer, or borrower as a person protected under the Fair Housing Act (42 U.S.C. 3601 et seq.), and (ii) measure the prevalence, nature, and extent of discriminatory practices covered under the Fair Housing Act.

The results of any testing and investigations pursuant to paragraph (3) may be used as the basis for the Secretary, or any Federal agency authorized to bring such an enforcement action, or any State or local government or agency, public or private nonprofit organization or institution, or other aggrieved parties as defined by title VIII of the Civil Rights Act of 1968 or other substantially equivalent State or local fair housing law, or other public or private entity that the Secretary has entered into a contract or cooperative agreement with under this section to commence, undertake, or pursue any investigation or en-
enforcement action to remedy any discriminatory housing
practice (as such term is defined in section 802 of the
Fair Housing Act (42 U.S.C. 3602)) uncovered as a result
of such testing and investigations. Testing conducted pur-
suant to paragraph (3) shall not constitute a violation of
any provision of criminal law or the Truth in Lending Act
(15 U.S.C. 1601 et seq.)”.

(b) REGULATIONS.—Not later than the expiration of
the 180-day period beginning on the date of the enactment
of this Act, the Secretary of Housing and Urban Develop-
ment shall issue regulations that apply the minimum
tester training standards required under section 125.107
of title 24, Code of Federal Regulations, to organizations
conducting testing under section 561(a)(3) of the Housing
and Community Development Act of 1987, as added by
the amendment made by subsection (a)(4) of this section.
Any subsequent amendments, changes, and updates to
such minimum standards shall apply to all activities under
such section 561.

SEC. 3. FAIR HOUSING INITIATIVES PROGRAM.

(a) AMENDMENTS TO PROGRAM.—Section 561 of the
Housing and Community Development Act of 1987 (42
U.S.C. 3616a) is amended—

(1) in subsection (b)—

(A) in paragraph (1)—
(i) by striking “private nonprofit” and inserting “qualified”; and

(ii) by inserting “(as such term is defined in subsection (h) of this section)” after “enforcement organizations,”; and

(B) in paragraph (2), by striking “private nonprofit” and inserting “qualified”;

(2) in subsection (c), by adding at the end the following:

“(3) PROGRAM-EARNED INCOME.—No restrictions on the use of program-earned income received by qualified fair housing enforcement organizations shall apply after the grant period for such organization ends.”.

(3) in subsection (d)—

(A) in paragraph (1)—

(i) in subparagraph (C), by striking “and” at the end;

(ii) in subparagraph (D), by striking the period and inserting “; and”; and

(iii) by adding after subparagraph (D) the following:

“(E) websites and other media outlets.”;
(B) in paragraph (2), by striking “or other public or private entities” and inserting “or other public or private nonprofit entities”;

(C) in paragraph (3), by striking “or other public or private entities” and inserting “or other public or private nonprofit entities”; and

(D) by adding at the end the following:

“(4) LIMITATION.—Notwithstanding any other provision of this section, a State or local agency certified by the Secretary under section 810(f) of the Fair Housing Act may receive assistance under this subsection only to carry out activities eligible for assistance under this subsection in areas in which no qualified fair housing enforcement organization is available to carry out such activities.

“(5) ELIGIBILITY.—Notwithstanding any other provision of this section, if an award of funding under subsection (b) for multiple fiscal years has been made to a qualified fair housing enforcement organization, such organization is, subject only to the availability of amounts provided in appropriation Acts, eligible to receive funding under this subsection for each fiscal year covered by such award under subsection (b).”;

(4) in subsection (e)—
(A) in paragraph (1) by striking “Banking, Finance and Urban Affairs” and inserting “Financial Services”; and

(B) by adding at the end the following:

“(2) PRIORITY.—In providing assistance under this section with respect to metropolitan statistical areas for which there are multiple applications for such assistance, the Secretary shall give priority to applications submitted by qualified fair housing enforcement organizations that have experience in conducting fair housing enforcement activities.”;

(5) by striking subsection (g) and inserting the following:

“(g) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There are authorized to be appropriated to carry out this section—

“(A) $77,500,000 for each of fiscal years 2023 through 2027, of which—

“(i) $74,500,000 shall be available for any activities under this section other than programs under subsection (a)(3), of which—

“(I) not less than $51,500,000 shall be for private enforcement initiatives authorized under subsection (b);
“(II) not less than $2,000,000 shall be for the fair housing organizations initiative under subsection (c);

“(III) not less than $13,500,000 shall be for the education and outreach initiative under subsection (d), of which—

“(aa) at least $10,800,000 shall be for local education and outreach activities; and

“(bb) at least $2,700,000 shall be for national media activities; and

“(IV) any remaining amounts shall be used for any program activities authorized under this section;

“(ii) $3,000,000 shall be available only for programs under subsection (a)(3); and

“(iii) $800,000 shall be available only for the development and maintenance of information and technology systems of the Secretary to manage grant amounts; and

“(B) $106,000,000 for each of fiscal years 2028 through 2033, of which—
“(i) for each such fiscal year, $101,000,000 shall be available for any activities under this section other than programs under subsection (a)(3), of which—

“(I) not less than $70,000,000 shall be for private enforcement initiatives authorized under subsection (b);

“(II) not less than $2,750,000 shall be for the fair housing organizations initiative under subsection (c);

“(III) not less than $19,000,000 shall be for the education and outreach initiative under subsection (d), of which—

“(aa) at least $15,000,000 shall be for local education and outreach activities; and

“(bb) at least $4,000,000 shall be for national media activities; and

“(IV) any remaining amounts shall be used for any program activities authorized under this section; and
“(ii) for each such fiscal year $5,000,000 shall be available only for programs under subsection (a)(3).

“(2) AVAILABILITY.—Any amount appropriated under this section shall remain available until expended to carry out the provisions of this section.

“(3) AWARD OF FUNDING.—Within 90 days after the date of the enactment of any Act making amounts available to carry out this section, the Secretary shall issue a Notice of Funding Availability with respect to such amounts and, within 180 days after such date of enactment, the Secretary shall award such amounts.”;

(6) in subsection (h)(1), in the matter following subparagraph (C), by inserting “and meets the criteria described in subparagraphs (A) and (C)” before the period at the end; and

(7) in subsection (j)—

(A) in the matter preceding paragraph (1), by inserting “regarding such preceding fiscal year,” after “comprehensive report”; and

(B) in paragraph (2), by striking “and the use of such funds during the preceding fiscal year” and inserting “, the use of such funds during the preceding fiscal year, and outcomes
such as the number of housing units made
available and accessible to persons protected
under the Fair Housing Act (42 U.S.C. 3601 et
seq.)”.

(b) STUDY.—

(1) IN GENERAL.—The Secretary of Housing
and Urban Development shall conduct a study to de-
termine the feasibility, efficiency, and effectiveness
of converting the Fair Housing Initiatives Program
under section 561 of the Housing and Community
Development Act of 1987 (42 U.S.C. 3616a) into a
noncompetitive, entitlement program to provide gen-
eral operating funding to qualified fair housing orga-
nizations, the appropriate levels of funding for such
a program taking into consideration the number of
such qualified funding recipients, and what factors
should be considered in providing for an equitable
distribution to qualified recipients of funding. The
Secretary shall submit a report to the Congress set-
ting forth the results of the study under this sub-
section not later than the expiration of the 12-month
period beginning on the date of the enactment of
this Act, which shall include any recommendations
regarding such conversion of the program.
(2) AUTHORIZATION OF APPROPRIATIONS.—

There is authorized to be appropriated to the Secretary of Housing and Urban Development $3,000,000 for fiscal year 2023 to carry out the study under paragraph (1), which amounts shall remain available until September 30, 2024.

SEC. 4. SENSE OF CONGRESS.

It is the sense of Congress that the Secretary of Housing and Urban Development should—

(1) fully comply with the requirements of section 561(d) of the Housing and Community Development Act of 1987 (42 U.S.C. 3616a(d)) to establish, design, and maintain a national education and outreach program to provide a centralized, coordinated effort for the development and dissemination of—

(A) materials and information about the fair housing rights of individuals who seek to rent, purchase, sell, or facilitate the sale of a home; and

(B) materials and information about the fair housing responsibilities of industry professionals providing products and services covered under the Fair Housing Act 42 U.S.C. 3601 et seq.);
(2) expend for such education and outreach programs all amounts appropriated for such programs;

(3) fully reinstate the regulations promulgated on July 16, 2015 (80 Fed. Reg. 42271), regarding the fair housing obligations of each recipient of Federal housing and community development funds to affirmatively further fair housing, as that term is defined under title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601 et seq.); and

(4) fully comply with the requirements of section 810(a) of the Fair Housing Act (42 U.S.C. 3610(a)).

SEC. 5. GRANTS TO PUBLIC AND PRIVATE ENTITIES TO STUDY HOUSING DISCRIMINATION.

(a) Grant Program.—The Secretary of Housing and Urban Development shall carry out a competitive matching grant program to assist public and private non-profit organizations in—

(1) conducting studies that examine issues regarding housing discrimination, residential segregation of lower income populations, and community displacement and the Fair Housing Act, including—

(A) the causes of housing discrimination, such residential segregation, and community
displacement, including their effects on persons protected under the Fair Housing Act, and their effects on education, poverty, economic development, health, and other socioeconomic factors;

(B) the incidence, causes, and effects of housing discrimination, such residential segregation, and community displacement based on personal characteristics not explicitly identified by the Fair Housing Act, including—

(i) veteran and military status; and

(ii) source of income;

(C) the ways in which the use of algorithms and artificial intelligence in the housing and mortgage lending markets impact the availability of housing for persons protected under the Fair Housing Act, including the use of digital and online platforms in the advertising and provision of housing and other services covered under the Fair Housing Act; or

(D) any additional topics of study related to the implementation and expansion of the Fair Housing Act; or

(2) implementing pilot projects that test solutions that will help prevent or alleviate housing dis-
crimination, such residential segregation, and com-
munity displacement.

A grant under this section may provide funding to an or-
ganization for only activities under paragraph (1) or para-
graph (2) or for activities under both paragraph (1) and
(2).

(b) ELIGIBILITY.—To be eligible to receive a grant
under this section, a public or private nonprofit organiza-
tion shall—

(1) submit an application to the Secretary of
Housing and Urban Development, containing—

(A) a description of the issues the appli-
cant will address and a justification for the
need to address such issues;

(B) a description of the applicant’s experi-
ence in formulating or carrying out programs or
activities described in this section;

(C) identification of the geographical area
and period of time to be studied; and

(D) a statement of how much the applicant
has secured in matching non-Federal funds for
the grant, if any, which may include monetary
donations and in-kind contributions; and

(2) meet the requirements of a qualified fair
housing enforcement organization, as such term is
(c) Partnerships With Academic Institutions.—A public or private nonprofit organization applying for a grant under this section may partner with an academic or educational organization or institution for the purpose of carrying out activities assisted with such grant amounts.

(d) Report.—The Secretary of Housing and Urban Development shall submit a report to the Congress on a biennial basis that provides a detailed summary of the results of the comprehensive studies and pilot projects carried out under subsection (a), together with any recommendations or proposals for legislative or administrative actions to address any issues raised by such studies. The Secretary may submit the reports required under this subsection as part of the reports prepared in accordance with paragraphs (2) and (6) of section 808(e) of the Fair Housing Act (42 U.S.C. 3608(e)) and section 561(j) of the Housing and Community Development Act of 1987 (42 U.S.C. 3616a(j)).

(e) Authorization of Appropriations.—There are authorized to be appropriated to carry out the provi-
sions of this section $5,000,000 for each of fiscal years 2023 through 2027.

SEC. 6. LIMITATION ON USE OF FUNDS.

None of the funds made available under this Act, or the amendments made by this Act, may be used for any political activities, political advocacy, or lobbying (as such terms are defined by Circular A–122 of the Office of Management and Budget, entitled “Cost Principles for Non-Profit Organizations”), or for expenses for travel to engage in political activities or preparation of or provision of advice on tax returns.