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COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS
WASHINGTON, DC 20510-6075

September 22, 2025

Brian D. Harrison
Acting Inspector General
Office of Inspector General
U.S. Department of Housing and Urban Development
451 7th Street SW
Washington, D.C. 20410

Dear Acting Inspector General Harrison:

I write today to transmit documents (enclosed) to the U.S. Department of Housing and Urban Development (HUD) Office of Inspector General (OIG) that include disturbing allegations regarding HUD's Office of Fair Housing (OFH) within the Office of General Counsel and the Office of Fair Housing and Equal Opportunity (FHEO).

Specifically, the documents—which were provided to my office by four OFH attorneys and FHEO staff in whistleblower complaints—suggest that under the current administration, officials within HUD have systemically undermined the agency's ability to implement and enforce fair housing and civil rights laws, putting HUD on "an unalterable course towards violating its statutory and regulatory obligations" to the American public. "HUD leadership," according to the documents, "has already violated the law" and taken actions that "will result in legal violations, gross mismanagement, gross waste of funds, and present a specific danger to public health and safety."

I urge the OIG to review these documents, evaluate and investigate the claims included in them, and determine whether HUD is currently fulfilling its statutory mandate to promote fair housing and protect the public from housing discrimination.

OFH and FHEO Defend Americans Against Housing Discrimination

OFH and FHEO play critical roles in helping HUD implement and enforce the Fair Housing Act, Title VI of the Civil Rights Act of 1964, Section 109 of the Housing and Community Development Act of 1974, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act of 1990, the Architectural Barriers Act of 1968, the Age Discrimination Act of 1975, Title IX of the Education Amendments Act of 1972, and the

¹ Letter by Named and Anonymous OFH Attorneys to Ranking Member Elizabeth Warren, August 27, 2025, on file with Senate Committee on Banking, Housing and Urban Affairs Minority, p. 2.

² *Id.* at p. 2, p. 14.

Violence Against Women Act (VAWA).³ These statutes were enacted by Congress to prohibit discrimination in housing and federally funded community development and disaster recovery programs based on race, color, national origin, disability, sex (including sexual orientation and gender identity), familial status, religion, and other protected characteristics.

OFH and FHEO have an attorney-client relationship and as such, their circumstances are inextricably tied together. OFH operates within HUD's Office of General Counsel (OGC) and supports FHEO's work by "[enforcing] the Fair Housing Act [and ensuring that] HUD and grantee[s] [comply] with fair housing and civil rights requirements." Through this work, OFH is responsible for reviewing all programmatic and agency actions to ensure they do not discriminate and that they comply with all fair housing and civil rights laws. OFH attorneys also work closely with FHEO, DOJ, and other federal investigators to both charge and probe discrimination complaints, and ensure equal treatment in federal housing, lending, and community development programs, including critical disaster recovery funds.

New Allegations Suggest that HUD is No Longer Enforcing Fair Housing and Civil Rights Laws—With Dire Consequences

The documents received by my office allege that "recent actions by HUD's political and career leadership" at OGC and FHEO "have placed the Department on an unalterable course towards violating its statutory and regulatory obligations to safeguard the equal distribution of federal funds, to combat housing discrimination in the public and private sectors, and to protect the lives of countless survivors of domestic violence." "In fact," the documents state, "HUD leadership has already violated the law." The specific claims made in these documents are described in detail below. It is essential that the OIG investigate these claims.

1. The Trump Administration views a well-staffed OFH as an "optics problem" and has intentionally reduced the size of the office responsible for enforcing fair housing and civil rights laws by 70 percent.

The documents obtained by my office allege that HUD leadership informed existing OFH staff that "fair housing was 'not a priority' of the administration, that less civil rights work would be performed under this administration, and that there was an 'optics problem' with [OFH] being as large as it was." In addition, the documents indicate that the Administration is implementing plans to gut OFH by reassigning staff to other HUD OGC offices—despite warnings that doing so would "render HUD unable to fulfill its statutorily mandated functions."

³ "HUD, "Report Housing Discrimination," https://www.hud.gov/reporthousingdiscrimination; HUD Exchange, Fair Housing and Civil Rights Laws, Guidance, and Tools, https://www.hudexchange.info/programs/fair-housing/laws-guidance-tools/#laws.

⁴ HUD, "About the Office of General Counsel- Fair Housing," https://www.hud.gov/stat/ogc-about.

⁵ Letter by Named and Anonymous OFH Attorneys to Ranking Member Elizabeth Warren, August 27, 2025, on file with Senate Committee on Banking, Housing and Urban Affairs Minority, p. 2. ⁶ *Id*.

⁷ *Id.* at p. 4.

⁸ *Id*. at p. 4-5.

Specifically, the documents indicate that, before the presidential transition, OFH employed 31 staff members. This figure allegedly decreased to just 24 staff after incentivized and coerced retirements, resignations, and terminations in early 2025. OGC then decided to reassign 13 of OFH's remaining attorneys to alternative divisions. This will leave OFH, according to the documents, with just 11 staff (including only six staff attorneys)—representing a nearly 70 percent decrease since January 2025.

Before bringing their concerns to Congress, OFH staff and FHEO leadership and managers allegedly cautioned HUD leadership that these cuts would harm the agency's ability to fulfill its statutorily mandated functions, including "its duty to: affirmatively further fair housing; investigate, charge, voluntarily resolve, and prosecute complaints of discrimination; administer grants to [Fair Housing Initiative Program recipients]; ensure [HUD funding] recipient and public housing agency compliance with nondiscrimination requirements; and sufficiently staff the Department to allow it to comply with these statutory civil rights requirements." They report that their warnings and offers to support OGC through alternative worksharing proposals were ignored. HUD officials are instead moving forward with its reassignments and fired an OFH supervisor "for their internal advocacy." HUD officials allegedly informed "OFH attorneys... that they could go to almost any other office [within the agency]; they must simply abandon fair housing work."

2. <u>HUD will no longer have the capacity to enforce VAWA, leaving domestic violence, sexual assault, and human trafficking survivors with nowhere to turn.</u>

In its 2022 reauthorization of VAWA, Congress expanded HUD's role in implementing VAWA, and OFH became "instrumental in ensuring that survivors [of domestic violence, dating violence, sexual assault, stalking, and/or human trafficking] are provided with emergency transfers to safe housing and that they are not retraumatized by being evicted because of an assault." Meanwhile, HUD created FHEO's nationwide Complex Trauma-Informed branch to investigate complaints in a manner that provided victims with compassionate, safe, and accommodating environments to promote healing and resilience. 16

According to documents received by my office, HUD will no longer have the capacity to fulfill its VAWA obligations. FHEO's Complex Trauma-Informed branch allegedly "no longer exists" due to staffing cuts under the current Trump Administration.¹⁷ HUD is now reportedly moving to

⁹ Letter by Named and Anonymous OFH Attorneys to Ranking Member Elizabeth Warren, August 27, 2025, on file with Senate Committee on Banking, Housing and Urban Affairs Minority, p. 4.

 $^{^{10}}$ *Id*.

¹¹ *Id*.

¹² *Id*. at p. 5.

¹³ *Id*. at p. 4.

¹⁴ *Id*. at p. 12.

¹⁵ *Id.* at p. 13.

¹⁶ *Id.* at p. 13; *see* HUD, "Trauma-Informed Care for Survivors in CoC and ESG Projects and Systems," https://files.hudexchange.info/resources/documents/Trauma-Informed-Care-for-Survivors-in-CoC-and-ESG-Projects-and-Systems.pdf.

¹⁷Letter by Named and Anonymous OFH Attorneys to Ranking Member Elizabeth Warren, August 27, 2025, on file with Senate Committee on Banking, Housing and Urban Affairs Minority, p. 13.

reassign 75 percent of the VAWA team at OFH, including its supervisors.¹⁸ If this reassignment is allowed to go forward, only two attorneys will remain in a unit that is already understaffed due to losses within FHEO. These stark and debilitating losses have allegedly decimated institutional knowledge and deprioritize the safety of domestic violence survivors under VAWA, "placing survivors in greater danger of suffering additional trauma, physical violence, and even death."¹⁹

3. <u>HUD officials are systemically undermining OFH's civil rights enforcement and compliance obligations, including subjecting OFH attorneys to an unprecedented "gag order"-increasing the risk of waste, fraud, and abuse.</u>

The documents received by my office describe a strict verbal gag order at OFH that has "limit[ed] the ability of civil rights work to proceed" and which "other offices inside and outside of OGC have not been subject to."²⁰ Specifically, they report that "[t]his order forbids OFH attorney communication with external parties, including DOJ and other governmental agencies, and the parties in civil rights complaints, without express approval from political leadership."²¹ They report that requests for political approval "have lingered for months without action."²² This stops OFH attorneys from being able to conduct investigations, explain legal risks, provide advice about critical evidence preservation, and ultimately leaves FHEO to navigate complex legally-relevant discussions on their own. The documents indicate that OFH attorneys are currently unable to facilitate "interviews or conciliation discussions [which] substantially impairs the ability of HUD to investigate and pursue conciliation."²³ Removing Counsel from the complaint process breeds waste, fraud, and abuse "[b]y blocking OFH from explaining potential legal risks to respondents...[and ultimately] cost[s] the agency, respondents, complainants, and the public unnecessary time and money."²⁴

HUD has also allegedly prevented OFH from conducting standard reviews of funding opportunity announcements to assess compliance with antidiscrimination laws, allowing a change that "ignore[d] Title VI rules and subject[ed] HUD and its recipients to serious risk of illegally subsidizing discrimination." Furthermore, as HUD sought to implement President Trump's "anti-DEI" executive orders, which "implicate civil rights laws in complex and unprecedented ways," political leadership is reported to have "verbally directed managers not to consult with FHEO or OFH in taking actions that impacted compliance with HUD's civil rights obligations." As a result, HUD employees may have taken actions that violate, or increase the risk of HUD violating, the law. One office, for example, sought to "remov[e] anything with a

¹⁸Letter by Named and Anonymous OFH Attorneys to Ranking Member Elizabeth Warren, August 27, 2025, on file with Senate Committee on Banking, Housing and Urban Affairs Minority, p. 13-14.

¹⁹ *Id*. at p. 14.

²⁰ *Id.* at p. 6.

²¹ *Id*.

²² *Id*.

²³ Letter from Former FHEO Senior Leader, Former Director of Enforcement at FHEO to Ranking Member Elizabeth Warren, July 25, 2025, on file with Senate Committee on Banking, Housing and Urban Affairs Minority, p. 5.

²⁴ Letter by Named and Anonymous OFH Attorneys to Ranking Member Elizabeth Warren, August 27, 2025, on file with Senate Committee on Banking, Housing and Urban Affairs Minority, p. 6.

²⁵ *Id.* at p. 10.

²⁶ *Id.* at p. 8-9.

'DEI term' from' certain lists—only to, in fact, remove terms "that included words from civil rights statutes" that the agency is charged with enforcing.²⁷

4. <u>HUD has inappropriately closed or halted at least 115 housing discrimination cases by intercepting referrals to the DOJ and withdrawing legal charges.</u>

The documents received by my office suggest that HUD leadership has rescinded referrals to the Department of Justice (DOJ)²⁸ and dropped "major investigations and cases concerning alleged housing discrimination and segregation, including some where the agency already found civil rights violations."²⁹

HUD has a statutory obligation to prosecute complaints where it finds reasonable cause regarding discrimination.³⁰ Where HUD finds reasonable cause to believe discrimination occurred, it must file a charge. In some cases, parties may elect to have those charges referred to DOJ. According to OFH attorneys, HUD political leadership now intercepts this legal process before a charge is filed. This circumvents FHEO's role as a neutral arbiter and prevents HUD or DOJ from addressing the discrimination. In at least one case, they report that HUD political leadership has even illegally rescinded a case that had already been referred to the DOJ at the election of the parties.³¹ To make matters worse, OFH reports indicate that at least 115 cases have been closed or halted since the Trump Administration took office, "with hundreds more cases in jeopardy."³² Some of these cases include rescinded settlements, which all now reportedly require approval from political appointees regardless of whether they are urgent or uncontroversial.³³

Internal emails and documents suggest that FHEO has not only inconsistently and unlawfully rejected complaints, abandoned investigations, and prematurely dismissed cases involving sexual orientation and gender identity discrimination, disparate impact, and environmental justice;³⁴ it has also prohibited investigators from communicating with parties in languages other than English.³⁵

5. Congressionally-mandated Fair Housing Initiatives Program (FHIP) funds are in limbo due to Trump Administration delays.

²⁷ Letter by Named and Anonymous OFH Attorneys to Ranking Member Elizabeth Warren, August 27, 2025, on file with Senate Committee on Banking, Housing and Urban Affairs Minority, p. 9. ²⁸ *Id.* at p. 5.

²⁹ ProPublica, "Trump Administration Prepares to Drop Seven Major Housing Discrimination Cases," Jesse Coburn, July 18, 2025, https://www.propublica.org/article/trump-hud-drop-housing-discrimination-cases-housing-pollution.

³⁰ 42 U.S.C. § 3610(g)(2)(A).

³¹Letter by Named and Anonymous OFH Attorneys to Ranking Member Elizabeth Warren, August 27, 2025, on file with Senate Committee on Banking, Housing and Urban Affairs Minority, p. 5.

³² ProPublica, "How the Trump Administration Is Weakening the Enforcement of Fair Housing Laws," Jesse Coburn, May 15, 2025, https://www.propublica.org/article/trump-hud-weakening-enforcement-fair-housing-laws.

³³ Letter by Named and Anonymous OFH Attorneys to Ranking Member Elizabeth Warren, August 27, 2025, on file

with Senate Committee on Banking, Housing and Urban Affairs Minority, p. 7.

34 Letter by Named and Anonymous OFH Attorneys to Ranking Member Elizabeth Warren, August 27, 2025, on file

³⁴ Letter by Named and Anonymous OFH Attorneys to Ranking Member Elizabeth Warren, August 27, 2025, on file with Senate Committee on Banking, Housing and Urban Affairs Minority, p. 9-10; ProPublica, "How the Trump Administration Is Weakening the Enforcement of Fair Housing Laws," Jesse Coburn, May 15, 2025, https://www.propublica.org/article/trump-hud-weakening-enforcement-fair-housing-laws.

³⁵Letter by Named and Anonymous OFH Attorneys to Ranking Member Elizabeth Warren, August 27, 2025, on file with Senate Committee on Banking, Housing and Urban Affairs Minority, p. 9-10.

Through the Fair Housing Initiatives Program (FHIP), HUD provides funding to private nonprofit organizations to "assist people who believe they have been victims of housing discrimination."36 FHIP organizations partner with HUD and DOJ to conduct primary investigations of discrimination and provide education to families and housing providers across the country on their rights and obligations. FHEO is responsible for administering the FHIP program, which includes reviewing FHIP grant applications.³⁷

Congress appropriated tens of millions of dollars for FHIP in the Consolidated Appropriations Act of 2024.38 According to information received by my office, the Trump Administration directed FHEO to halt its evaluation of 179 FHIP applications in February to assess if recent executive orders had any implication on the solicited grant activities and the application scoring methodology. In March, FHEO staff urged leadership to allow the office to continue reviewing applications to ensure the office could obligate funds before they expired, arguing that failing to send out the funding could put the Department at legal risk.

Despite this warning, "[p]olitical leadership and DOGE have taken numerous actions that threaten the financial survival and stability of fair housing and legal aid organizations, some leading to lawsuits alleging violations of the FHIP statute and other laws."39 For example, HUD allegedly improperly terminated grants and "risked the expiration of lawfully appropriated funds, including by rescinding FY24 grant notices and holding up re-negotiations of multi-year grants."40

Conclusion

Enforcement of fair housing and civil rights laws is not discretionary—it is obligatory. In light of the information revealed in the documents provided to my office-including challenges presented by reductions to OFH and FHEO personnel, the verbal gag order, and interference with cases—I have significant concerns and numerous questions regarding whether HUD is complying with, enforcing, and investigating potential violations under federal civil rights and fair housing laws. Any abdication by HUD of its legal obligations threatens to increase housing discrimination at a time when racial and economic disparities in housing access remain persistent and systemic.

The mission of the HUD OIG is to "safeguard HUD's programs from fraud, waste, and abuse and identify opportunities for HUD programs to progress and succeed."41 Given the claims of HUD's systematic undermining of fair housing and civil rights laws, and the likelihood of these failures to increase fraud, waste, and abuse at the Department, I ask that HUD OIG carefully

³⁶ HUD, "Fair Housing Initiatives Program (FHIP)," https://www.hud.gov/stat/fheo/initiatives-program.

³⁷ Id.; U.S. Department of Housing and Urban Development, Fair Housing and Equal Opportunities, "Fair Housing Initiatives Program Education and Outreach Initiative" August 2025, p. 5.

https://grants.gov/search-results-detail/360162 (downloaded from "related documents" page).

³⁸ Public Law 118-42.

³⁹ Letter by Named and Anonymous OFH Attorneys to Ranking Member Elizabeth Warren, August 27, 2025, on file with Senate Committee on Banking, Housing and Urban Affairs Minority, p. 8.

⁴¹ HUD Office of the Inspector General, "Mission & Vision," https://www.hudoig.gov/about-hud-oig/missionvision.

evaluate and investigate the concerns referenced in this letter and accept the referral of additional documents that were provided to my office.

Sincerely,

Elizabeth Warren

Ranking Member

Committee on Banking,

Housing, and Urban Affairs