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Annual Report 2022-23

In 2022-2023 we saw the fruition of several legislative campaigns, more progress on regulatory reform, and we continued to support the larger civil rights movement with advocacy, research, publications, and trainings on housing and school integration, and an expanded right to housing. This report will cover significant advances and activities in housing, education, and housing-school policy intersections.

1. HOUSING AS ACCESS TO OPPORTUNITY: ADDRESSING STRUCTURAL BARRIERS

Policy progress and challenges

Final 2023 appropriations bill: Although we were unsuccessful in our campaign to obtain a second year of additional funds for housing mobility services in the 2023 budget, there were at least two valuable housing provisions worth noting: a new \$85 million incentive fund to encourage municipalities to eliminate exclusionary zoning laws, and a \$130 million increase in the Housing Choice Voucher program (potentially funding 12,000 new vouchers).

New York State housing mobility programs: The NY State Division of Housing and Community Renewal has agreed to fund the Long Island and Buffalo mobility programs going forward, and to expand the programs in several additional metro areas in the state (the programs had previously been funded under a grant from the NY State Attorney General's office). PRRAC has been providing technical assistance in support of the NY State programs since 2020.

Raising voucher rent caps: In 2022, HUD issued new guidance on waivers that PHAs can seek to increase payment standards above Fair Market Rent levels in an effort to respond to an increasingly tight rental market. At HUD's request, PRRAC and the National Housing Law Project released a public explainer and overview of these new options that public housing authorities can use to increase payment standards. HUD has also implemented dramatic changes in the underlying calculation of Fair Market Rents for 2023 to help HUD rents keep pace with accelerating market rents. Finally, HUD released data we had been seeking for several years, indicating a significant expansion in the number of public housing agencies that have adopted Small Area Fair Market Rents, which help families access higher opportunity communities.

AFFH Notice of Proposed Rulemaking: HUD finally released their proposed "streamlined" version of the suspended 2015 Affirmatively Furthering Fair Housing Planning rule to guide fair housing planning for states, PHAs, and local governments. The proposed rule has some positive aspects – in particular, a new process permitting aggrieved individuals or groups to file a complaint claiming that the HUD grantee has filed an ineffective plan or is otherwise in violation of their AFFH obligations. In April 2023, PRRAC joined other civil rights and housing

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¹ Our annual reports cover the period from July 1 to June 30.

organizations in developing formal comments on the proposed rule. <u>Our comments</u> focused on the potential of the new rule for influencing policies at public housing authorities and state governments – which are both key players in either perpetuating or undoing longstanding patterns of segregation.

From the President's 2024 budget: In the tenant-based assistance section of the HUD budget, the President has requested a modest increase in the Housing Choice Voucher program, and the annual request for housing mobility services funding has been reduced from \$445 million to a more realistic \$25 million (the amount finally appropriated in the 2022 budget). In addition, HUD has requested a demonstration program to test increased flexibility in the use of Housing Choice Voucher funds (which might permit use for security deposits and apartment holding fees, for example), as PRRAC and coalition partners have previously recommended, to remove some of the major barriers to families seeking units in lower poverty neighborhoods.

The Housing Mobility Services NOFO: HUD released a \$25M notice of funding to support 5-year regional housing mobility programs at approximately 11 PHAs. The funding notice, pursuant to Congress's direction in the 2022 Appropriations Act, prioritizes assistance to families with children, PHAs with high concentrations of families with vouchers in high poverty neighborhoods, and regions with a reasonable percentage of rental units in low poverty areas that are within permissible voucher payment standards.

Publications & trainings

Housing mobility publications and training: Along with Enterprise-NY, we released *A Review of the NY State Housing Mobility Pilot*, tracking the first two years of the state funded housing mobility program in Buffalo and Long Island. We also published *Housing Mobility Programs in the US 2022*, a biennial survey of current housing mobility programs.

AFFH toolkit: We contributed to a new HUD toolkit, *Lessons from the Ground: Best Practices in Fair Housing Planning* (April 2023). PRRAC joined in this project with Enterprise Community Partners and Abt Associates, combining reviews of the initial 2016-17 AFFH plans and interviews with local officials and advocates.

RAD Choice Mobility Guidebook for PHAs: We prepared a detailed guidebook for HUD, along with accompanying forms for public housing authorities, to better implement the "choice-mobility" requirements of the Rental Assistance Demonstration, HUD's primary vehicle for public housing redevelopment and refinancing. The choice-mobility requirement, advocated for by PRRAC and its allies when the RAD program was initially developed in 2011-2012, gives the option to public housing tenants in redeveloped properties to exchange their public housing unit for a portable Housing Choice Voucher within 1-2 years after the redevelopment is completed.

Source of income discrimination update: In 2018, the Center on Budget & Policy Priorities estimated, based on PRRAC's comprehensive database, that 34% of Housing Choice Voucher families lived in jurisdictions with source of income discrimination (SOI) laws protecting voucher holders. Since then, seven additional states and many new municipalities have adopted SOI laws, so we ran the numbers again, concluding that in 2022, over 57% of all voucher holders are living in places protected by these SOI laws. See our research brief here.

Source of income discrimination research convening: PRRAC organized and co-hosted (with the Urban Institute and the Furman Center) a successful all-day meeting on new, emerging, and

still-to-be explored research on source-of-income discrimination. About 50 people attended, including researchers, HUD staff, and advocates.

Source of income discrimination webinars: Along with the National Homelessness Law Center, we presented a webinar on source of income discrimination enforcement to a group of state affiliates of the National Low Income Housing Coalition. We also led a presentation on the importance of well-designed audit testing and enforcement efforts to a group of assistant attorneys general in states with statewide source of income discrimination laws.

Social housing: We continued work on a 50-state survey of allocation plans for the LIHTC, HOME, and Housing Trust Fund programs, in support of a report on social housing incentives in the states (anticipated publication in October 2023). We also presented the results of this survey to members of the Alliance for Housing Justice.

Advocacy and organizing

Voucher funding flexibility: Our ongoing campaign for increased flexibility in the use of Section 8 funds got a big boost when we secured the cooperation of Senator Chris Murphy, who led a "dear colleague" letter on behalf of six Senators to the Senate Appropriations Housing Subcommittee urging them to loosen rules governing Housing Choice Voucher funds to permit their use for security deposits and apartment holding fees in lower poverty areas. We also led a national sign-on letter to the Appropriations Committee, and continued meeting with key Congressional offices on this issue.

Housing Choice Vouchers: We participated in a HUD listening session regarding planned regulatory changes to the Section 8 Management Assessment Program (SEMAP), which is basically the annual "report card" on PHA performance, and followed up with a written list of recommendations for a new SEMAP rule. We continued our quarterly meetings with HUD Housing Choice Voucher staff, along with the National Housing Law Project, covering the whole Housing Choice Voucher reform agenda.

LIHTC: We met with staff in the Ways & Means Committee to urge inclusion of fair housing provisions in the proposed changes to the LIHTC statute.

Community Reinvestment Act: We submitted comments on the proposed comprehensive revisions of the Community Reinvestment Act regulations, urging the federal banking regulator agencies to align CRA with the principles of the Fair Housing Act – for example, giving substantial CRA credits to banks for investing in affordable housing in high opportunity areas, not just in low income neighborhoods. We also submitted comments in response to a request for input from a new federal interagency task force on community reinvestment focused on the need to support publicly owned and controlled social housing, consistent with fair housing principles.

Housing Choice Voucher reform legislation: We have joined broad coalitions and supporting two separate bills aimed at improving utilization and geographic choice for families in the Housing Choice Voucher program,

Exclusionary tenant screening practices: In response to a wide ranging "Request for Information" on tenant screening practices from two federal agencies (part of the recent White House effort to advance tenants' rights), PRRAC weighed in on tenant screening practices that adversely affect families with Housing Choice Vouchers.

Removing barriers to portability: Along with the National Housing Law Project, we urged HUD to repair a major oversight in a 2016 HUD regulation governing families with HUD vouchers who attempt to move from one PHA jurisdiction to another, to prevent "receiving" PHAs from re-screening tenants with stricter standards for issues such as criminal background, past evictions, etc.

Housing Choice Voucher reform: We led a letter from civil rights groups to the HUD Secretary and Deputy Secretary urging quick action on Small Area FMR expansion and reform of the Section Eight Management Assessment rule – both key steps in expanding housing opportunities for low income families with vouchers.

Technical assistance

New York State: We joined Enterprise-NY and the state housing agency in site visits to the state-supported housing mobility programs in Buffalo and Long Island. We also led a quarterly joint meeting of existing NY State programs (Buffalo, Long Island, Rochester, Westchester, and NYC), and helped Enterprise develop an RFP to expand the program to additional metro areas in the state, leading to the review and approval of new mobility programs in the Newburgh-Poughkeepsie area and around Ithaca, NY.

Mobility Works: We assisted Mobility Works (an independent non-profit formerly housed at PRRAC) with new consulting engagements in Charlotte, Santa Clara County, and New Haven, assisting those housing authorities in developing new housing mobility programs, and also preparing their applications for the HUD housing mobility services NOFO.

SOI state campaigns: We offered support and assistance to advocates working on state source of income discrimination bill campaigns in Nevada, New Mexico, Michigan and Maine, and ordinance drafting efforts in several local communities.

2. EDUCATIONAL EQUITY AND SCHOOL INTEGRATION (including NCSD)

Policy progress and challenges

2023 Consolidated Appropriations Act: The final version of the 2023 Consolidated Appropriations Act, signed by President Biden on December 29, 2022 included several important items that NCSD had led lobbying efforts on:

- >While the bill did not include targeted funding for the \$100M "Fostering Diverse Schools" competitive grants program requested by President Biden, Congress again directed the Department of Education to set aside a portion of Title IV-A's "technical assistance and capacity building" funds for school diversity efforts and increased the amount of funding allocated to this portion of ESSA.
- > We were also successful in finally eliminating the last remaining vestige of the old "anti-busing provisions" scattered throughout the U.S. Code (these provisions all included variations on language barring the use of federal funds for transportation to support school integration).

GAO report on school segregation: Following up on its 2016 report on segregation in K-12 public schools, a 2022 report from the Government Accountability Office found that, in the 2020-21 school year, "More than a third of students attended a predominantly same-race/ethnicity school—where 75 percent or more of the student population is of a single race/ethnicity" and "14 percent of students attended schools where 90 percent or more of the students were of a single race/ethnicity." The report also analyzes the segregative impact of school district secessions over the past ten years.

School integration funding: The Department of Education released a \$10 million funding notice for a new competitive grants program, "Fostering Diverse Schools," for selected local school districts to plan for increased school diversity. This was the funding notice resulting from the FY 2022 direction from Congress discussed above. In perhaps an excess of legal caution, the Department has limited the new program's methods to "socioeconomic integration," but allows for racial integration as one of the program's goals.

Department of Education weighs in on school diversity: In response to a 2021 request from Congress (advocated by NCSD), the Department released "The State of School Diversity in the United States," a report that summarizes research on the harms of segregation and the benefits of integration; explains the availability of Title I funding for school transportation to support integration in different scenarios; describes the benefits of and funds available to support educator diversity, and documents long term trends in the resegregation of American schools following the abandonment of desegregation efforts in many parts of the country.

Publications and trainings

Accountability and segregation research brief: NCSD released its latest research brief, "Accountability Systems and the Persistence of School Segregation: Research Evidence and Future Directions" by Professor James Noonan and Peter Piazza of the School Diversity Notebook. An abbreviated version of the piece was published in the October-December 2022 Poverty & Race issue and cross-published in the School Diversity Notebook blog.

School integration fact sheet: NCSD released a "New Findings on School Integration" fact sheet that summarizes several recent studies and reports that further underscore the importance of K-12 school integration.

Student transportation and integration: NCSD published a profile of districts in four metro areas dealing with challenges of student transportation to facilitate school integration.

Fostering Diverse Schools webinar: We joined the Bridges Collaborative in a webinar for school districts encouraging them to apply for the new (small) competitive grants program, "Fostering Diverse Schools," which we helped secure from Congress, and which we need to grow by showing increasing demand.

Poverty & Race special issue: The April-July 2023 issue of *Poverty & Race* was a collaboration between PRRAC and NCSD focused on school funding. Guest edited by NCSD member Derek W. Black, the issue features seven articles that "highlight [school funding/segregation] interconnections, examine their effects on equal educational opportunities, and chart a path for addressing segregation and school funding in tandem." This issue also includes a piece by David Hinojosa on the Harvard/UNC ruling's implications for K-12 schools.

Advocacy and organizing

Boston Public Schools amicus brief: We joined an amicus brief with the ACLU and Lawyers' Committee for Civil Rights Under the Law in support of the Boston Public Schools Board's appeal to the First Circuit in *Boston Parent Coalition for Academic Excellence Corp. v. School Committee of City of Boston* (one of several challenges around the country to school diversity efforts in competitive high schools).

Congressional meetings: We held multiple meetings with staff of the House and Senate Education Committees and with staff of members on the House and Senate Appropriations Subcommittee.

Movement Milestones campaign: NCSD wrapped up its Movement Milestones social media campaign which focused on the contributions of lesser-known historical champions of school integration.

Strategy session on affirmative action cases: We convened a group of civil rights lawyers to plan a rapid response to the Supreme Court's affirmative action cases, focused on the potential impact of the decision on K-12 integration efforts, and followed through with a day-of press statement and a more detailed legal analysis for the NCSD community.

3. HOUSING/EDUCATION INTERSECTIONS

Policy progress and challenges

Magnet schools and Choice Neighborhoods: Our proposal to link the Department of Education's Magnet Schools Assistance Program (MSAP) to HUD's Choice Neighborhoods Initiative was included as an invitational priority in the 2022 MSAP funding notice; however, it was not included in the HUD's most recent Choice Neighborhoods funding notice. We will continue to raise this as a priority in our discussions with ED and HUD.

Advocacy, organizing, publications, and trainings

Housing-schools working group: Management of the housing-schools working group has been transferred from the Learning Policy Institute to PRRAC, and we identified our primary priority for 2023 as the reissuance of the 2016 joint guidance letter on school and housing integration signed by the secretaries of housing, education, and transportation. We held a virtual meeting with staff at all three agencies on this issue, and sent letters to the three secretaries urging action.

Magnet schools and public housing update: Our updated policy brief, "Connecting magnet schools and public housing redevelopment: January 2023 update," urged the housing and education departments to expand incentives to link these two related programs across the two agencies.

Between the Lines: In January 2023, Learn Together, Live Together (LTLT) and the National Coalition on School Diversity (NCSD) hosted a live performance and panel discussion of "Between the Lines," a student-led play created by Epic Theatre Ensemble youth artist-researchers and commissioned by PRRAC, exploring the connection between housing policy and segregation/inequity in schools.

4. COMMUNICATIONS/MEDIA ENGAGEMENT

Poverty & Race: We released two issues of our longstanding journal *Poverty & Race* in 2022. The first issue included a lead article from Rasheedah Phillips on law & time; Nick Kelly and Ingrid Ellen on a new technique for measuring neighborhood opportunity; Chris Bonastia on NYC desegregation history; and Valerie Sterne and Janelle Taylor on the way some parents misconceive school enrollment as property. Our second issue of 2022 was a special issue with commentaries on Raj Chetty's recent study of social capital, cross-class connections, and economic mobility.

In 2023, we've released two issues with a third planned for release in November. The Spring issue, "Racial capitalism, tenant power, and social housing" was a special issue looking at the challenges of housing commodification through the lens of racial capitalism and through the stories of powerful tenant-led campaigns in Philadelphia, Los Angeles, New York State and New York City. The Summer issue, in collaboration with NCSD, focused on school finance, featuring a stellar lineup of articles from research, policy & legal experts working at the intersection of school funding & segregation/integration

Media Coverage:

- Milwaukee County housing voucher recipients will get an increase in subsidies next month (Milwaukee Journal, September 13, 2022)
- Relentless Rents Leave Few Choices for Americans Relying on Assistance (CityLab, January 5, 2023)
- Your segregated town might finally be in trouble (Vox Media, January 23, 2023)
- <u>Dayton approves 'source of income' protections; landlords rip Section 8 program</u> (Dayton Daily News, March 3, 2023)
- Feds launch \$10 million school desegregation program after stops and starts (Chalkbeat, May 18, 2023)
- Section 8 Tenants Are Using New Laws To Fight Housing Bias (Law360, July 21, 2023)
- <u>Some states protect Section 8 renters, but enforcement is elusive</u> (Missouri Independent, July 21, 2023)

Staff and Board updates

Working with our Board, we developed a full Diversity, Equity and Inclusion plan, with goals and benchmarks in multiple areas, and we continue to check in on progress as a staff. We have also developed a detailed implementation plan for our 2022 Strategic Plan, again with quarterly goals and benchmarks.

In 2022-23, we welcomed several new staff, including Audrey Lynn Martin, Housing Policy Counsel; Jenna Tomasello, Communications Consultant (NCSD), and Tessa Delgo, Administrative and Program Assistant. We said goodbye to our longtime policy counsel Peter Kye, and Katherine Ford, our Administrative and Development Assistant.

On the PRRAC Board, we welcomed new Board members ReNika Moore from the ACLU and Jin Hee Lee from the NAACP Legal Defense Fund. At the end of 2022, two of our longest-serving Board members retired – Ted Shaw (currently at UNC Law School) and Jose Padilla, former director of California Rural Legal Assistance.