

Fair Housing Organizations Sue HUD, Ben Carson Over Rule Suspension

Texas Appleseed, Texas Housers, and the National Fair Housing Alliance (NFHA) asked a federal court in Washington, D.C., to order the U.S. Department of Housing and Urban Development (HUD) to reinstate a federal requirement that local and state governments address housing discrimination and unequal access to opportunity as a condition of receiving HUD funding. Our lawsuit, filed May 8, alleges that HUD unlawfully suspended the requirement, effectively removing civil rights oversight of as much as \$5.5 billion per year until 2024 or later for almost 1,000 jurisdictions.

The obligation to “affirmatively further fair housing” (AFFH) has applied to all HUD grantees since the Fair Housing Act was passed in 1968. But it was not until July 2015 that HUD adopted the first effective set of federal regulations—known as the AFFH Rule—to guide the compliance efforts of local and state recipients of HUD’s block grant funds and hold them accountable.

The AFFH Rule greatly improved the process for HUD grantees, including local governments, states, territories, and public housing authorities, to fulfill their obligation to affirmatively further fair housing. The Rule’s required Assessment of Fair Housing (AFH) is an in-depth, holistic planning process that leverages data and robust community participation to inform the selection and prioritization of measures to overcome entrenched barriers to residential integration and access to opportunity.

“Reversing segregation is critical—and not just for the communities that have been denied access to safe, decent neighborhoods through exclusion and disinvestment,” said Madison Sloan, director of Texas Appleseed’s Disaster Recovery & Fair Housing project. “It is research-based policy that benefits everyone. HUD’s unlawful suspension of the AFFH rule is a huge step backward in the movement to create equitable, inclusive communities.”

The plaintiffs allege that HUD’s attempt to delay and dilute the AFFH Rule violates the Administrative Procedure Act, which sets out procedural and substantive requirements for the adoption and modification of federal regulations. HUD failed to provide advance notice or opportunity to comment on the suspension and failed to articulate any plausible reason for the suspension. Plaintiffs also allege that HUD’s action violates HUD’s own AFFH duty. The plaintiffs seek a court order requiring HUD to restart the implementation of the AFFH Rule immediately.

Read Our Complaint:
<http://bit.ly/2JKBbUC>

Read Our Press Release:
<http://bit.ly/2JzZj0b>



Layne Kruse, *Chair*
Norton Rose Fulbright*

Elizabeth Mack, *Immediate Past Chair*
Locke Lord LLP*

Patrick H. Cantilo, *Secretary-Treasurer*
Cantilo & Bennett, L.L.P.*

Hon. Marilyn Aboussie

Doug Bland
Vinson & Elkins LLP*

George Butts
George Butts Law*

Kent Caperton
Kent Caperton, PC*

Carlos Cárdenas
Law Office of Carlos Eduardo Cárdenas, P.C.*

E. Leon Carter
Carter Scholer Arnett Hamada & Mockler, PLLC*

Ricardo G. Cedillo
Davis, Cedillo & Mendoza, Inc.*

Clinton Cross

Dennis P. Duffy
BakerHostetler*

Dawn Estes
Estes Thorne & Carr PLLC*

Allene D. Evans
The University of Texas System*

N. Scott Fletcher
Jones Day*

R. James George, Jr.
George Brothers Kincaid & Horton LLP*

Judge Amber Givens-Davis

Sean Gorman
Bracewell*

Marcy Hogan Greer
Alexander Dubose Jefferson & Townsend LLP*

Susan Hartman
BVA Group*

Gregory Huffman
Thompson & Knight LLP*

Tommy Jacks
Fish & Richardson P.C.*

Susan Karamanian

Charles Kelley
Mayer Brown LLP*

Peter M. Kelly
Kelly, Durham & Pittard, L.L.P.*

Michael Lowenberg
Foley Gardere*

Keri McKenzie
Mintz Group*

Gina DeBottis Metts
Retired Executive Director, Special Prosecution Unit*

Ann Marie Painter
Perkins Coie*

Hon. Thomas R. Phillips
Baker Botts LLP*

Michael Rodriguez
Atlas, Hall & Rodriguez LLP*

David Sharp
Law Offices of David E. Sharp P.L.L.C.*

Ann Hebert Stephens
Shell*

Eric Taube
Waller Lansden Dortch & Davis, LLP*

Leslie Thorne
Haynes & Boone, LLP*

Allan Van Fleet
Van Fleet LP*

Pat Villareal
Pat Villareal Law PLLC*

Mark Wawro
Susman Godfrey L.L.P.*

Phyllis Young
Akin Gump Strauss Hauer & Feld LLP*

Angela C. Zambrano
Sidley Austin LLP*

*Affiliations listed for identification only

Fair Lending Victories

Two Congressional bills (H.J. Res. 122 and S.J. Res. 56) intended to overturn important federal protections issued by the Consumer Financial Protection Bureau failed to move forward, a victory for fair lending advocates across the U.S. The CFPB Rule was at stake—it helps rein in payday and auto title loan abuses, an issue that Texas Appleseed has worked on for a decade. Members of Congress working to protect loan sharks invoked the Congressional Review Act in an attempt to overturn the Rule, but the deadline to repeal it expired May 16, following months of advocacy efforts to prevent a majority vote.

Meanwhile, the Consumer Services Alliance of Texas and the Community Financial Services Association of America, on behalf of payday and auto title lenders, sued the CFPB in federal court, in another attempt to overturn the CFPB Rule. In an unusual move, the CFPB joined the payday lenders in a motion to stay the lawsuit and delay the August 2019 Rule implementation date. The court granted the stay of the lawsuit, but denied the request to change the Rule implementation date—which is a victory for families relying on the rule standards to go into effect.

Texas Justice Courts See 82 Percent Increase in Debt Claim Cases

Texas Appleseed has launched a new toolkit, www.MyDebtCollectionRights.org, to inform Texans of their debt collection rights, help people learn more about the issue, and help Texans identify scams and other deceptive practices. The toolkit encompasses “guidebooks” covering four areas: tips to determine if a debt collection call is real or a scam, common scare tactics used by debt collectors, what to do if you’re sued by a debt collector, and what it means to be judgment proof. The site also features four informational videos, highlighting actual experiences of two Texans. The videos were generously funded by the Texas Bar Foundation.



We’ve also collaborated with SMU’s Dedman School of Law and Fish & Richardson on a related tool that will be housed on our site. The Lawsuit Answer Writer tool helps Texans create a written Answer with the court if a debt collector has filed a lawsuit. The tool asks a series of questions that are then used to create the custom Answer for that person, which can then be provided to the court.

An estimated 80 percent of Texas defendants in debt claims cases did not have an attorney to represent them, while the number of cases going before Texas justice courts increased 82 percent between FY 2014 and FY 2017—an additional 75,000 new cases. Forty-four percent of Texans have a debt in collections, well above the national average of 33 percent. In some Texas counties, the rates are as high as 66 percent.

THE LATEST

■ We are excited to welcome **Corina Golea** as our new Office Manager. Hailing from New York, she brings her accounting expertise and upbeat energy to the office.

■ Texas’ Homeless Youth Handbook is on a redesigned website, www.HomelessYouth.org, and includes handbooks from six states, with four additional states in progress. We created Texas’ handbook with Baker & McKenzie and Weatherford.

San Antonio Decriminalizes Youth Curfew Offense

The San Antonio City Council changed its youth curfew ordinance by a 9-0 vote on May 31; two members were not present to vote. The new ordinance went into effect June 4. The curfew criminalized youth who were out during certain hours. Youth ages 10 to 16 could be sent to adult criminal court without an attorney, faced fines up to \$500, and could end up with a criminal record. Now, youth experiencing homelessness, youth who work late hours, and other young people won't be saddled with tickets, court time, or a criminal record simply because they are out during certain hours. An offense for parents still exists if youth are out during curfew hours. By decriminalizing the curfew, the City is supporting young people and utilizing non-law enforcement interventions to help youth, including through a Re-engagement Center, staffed by Municipal Court case workers, where various treatments and aid can be provided, from addressing mental health needs to helping human trafficking victims.

Seeking Attorneys & Advocates: Protecting Students Who Protest



Texas Appleseed is part of a network of organizations, attorneys, and advocates that support Texas students who participate in walkouts related to gun violence and school safety or other forms of protest. We provide resources, advice, and assistance to students whose schools or school districts punish or threaten to punish them for protesting. We helped activate a network of more than 40 attorneys and advocates across Texas to support students—attorneys were able to help students as part of National School Walkout Day. We invite more attorneys and advocates to join us. Fill out our Intake Form, available at www.TexasAppleseed.org/protecting-students-who-protest. We will get in touch with information about training and how we will connect you with students who need assistance.

Expansion of Travis County Women's Jail Delayed

Texas Appleseed is part of a coalition, organized by Grassroots Leadership, whose advocacy led to the delay of building Travis County's new, expanded women's jail, priced at nearly \$100 million. We urged county commissioners to develop effective strategies to reduce the population of women in jail, particularly women who would be better served by community-based programs and services, before making plans for the construction of a new facility. Unnecessary incarceration of women often leads to a number of harms including loss of employment and housing. The majority of women in jail are mothers, meaning children also experience the trauma of having a parent incarcerated, as well as a loss of financial security. Commissioners now have the opportunity to create a thoughtful plan to divert more women from jail, as well as to improve mental health, substance abuse and other support services in our community.

Driver's License Survey

We want to hear from Texans who have a suspended driver's license related to failure to pay fines, court fees or surcharges. Millions of Texans face this burden, and such suspensions are counterproductive: They keep people from driving to work to earn a living—and the money to pay the fees to get their license back. We are working to help people get their driver's licenses back and want to learn more about how these suspensions have impacted people. Access the survey on the homepage of our website.



State Action Plan for Harvey Recovery

The State of Texas submitted its Action Plan for \$5 billion in Community Development Block Grants for Disaster Recovery (CDBG-DR) on May 8. Texas Appleseed met with the General Land Office and submitted extensive comments. Now, HUD has 45 days to approve or deny the Action Plan, which will be followed by a regional allocation and program selection process. Under the State Action Plan, the City of Houston and Harris County will be managing their own CDBG-DR funding, and will be writing and submitting separate, local Action Plans. Texas Appleseed also plans on participating in the local Action Plan processes. Other counties affected by Harvey are covered under the State Action Plan.

We were pleased to see housing recovery and the needs of low-income disaster survivors prioritized in the State Action Plan, as well as the State's acknowledgment of its obligation to comply with the Fair Housing Act. However, we remain concerned about the State's use of FEMA data, which undercounts low-income families and low-income renters, resulting in underfunding of affordable rental housing and inequitable buyout programs.

Texas Appleseed is also currently working on the State's draft of guidelines for housing programs funded under the Action Plan. As a result of our advocacy, this initial draft included two requirements that guarantee more funding and access to rental housing for the lowest-income families.

INSIDE: Lawsuit Against HUD / Fair Lending Victories / Launch of My Debt Collection Rights / San Antonio Youth Curfew / Attorneys Needed: Helping Students Who Protest