

116TH CONGRESS
2D SESSION

H. RES. 1025

Expressing support for the designation of June as “National Homeownership Month”, honoring the critical importance of increased homeownership to overall affordable housing goals, and acknowledging the necessity of using comprehensive resources within the legislative and policy toolbox, together with vital public-private partnerships, to allow communities across the United States to provide access to safe and secure housing for all Americans, regardless of income level, while promoting diversity consistent with the ideal of the American Dream during the time of the COVID–19 pandemic.

IN THE HOUSE OF REPRESENTATIVES

JUNE 26, 2020

Mr. CLAY submitted the following resolution; which was referred to the
Committee on Financial Services

RESOLUTION

Expressing support for the designation of June as “National Homeownership Month”, honoring the critical importance of increased homeownership to overall affordable housing goals, and acknowledging the necessity of using comprehensive resources within the legislative and policy toolbox, together with vital public-private partnerships, to allow communities across the United States to provide access to safe and secure housing for all Americans, regardless of income level, while promoting diversity consistent with the ideal of the American Dream during the time of the COVID–19 pandemic.

Whereas for over 80 years it has been the policy of the United States to promote the general welfare of the Nation by employing its funds and credit to assist States and localities to remedy unsafe housing conditions and the acute shortage of decent and safe dwellings for low income families under the United States Housing Act of 1937;

Whereas the House of Representatives, which has over a period of many years endeavored to address housing and homeownership, and has had some success in doing so through related appropriations and authorizing legislation, has committed itself to meeting the affordable housing and community development needs of the country;

Whereas the disparate impact standard under the Fair Housing Act is a longstanding protection that allows people to challenge policies that might seem neutral on their face but result in discriminatory outcomes;

Whereas a government-sponsored corporation, the Homeowners Loan Corporation (HOLC), established in 1933, implemented a system of redlining for years that rated neighborhoods based on a number of factors, including race;

Whereas, in 1911, a St. Louis, Missouri, neighborhood enacted a racially restrictive covenant designed to prevent African Americans and Asian Americans from living in the area and in 1945 the Shelleys, an African-American family, moved into the neighborhood prompting Louis Kraemer to sue to enforce the covenant and prevent them from moving into their house, resulting in a Supreme Court decision that although restrictive covenants did not fall under constitutional protection, State enforcement of

such covenants violates the Equal Protection Clause of the Fourteenth Amendment;

Whereas the National Association of Real Estate Boards, which became the National Association of Realtors, had harmful racial discrimination as part of its ethics code;

Whereas prior to the passage of the Fair Housing Act in 1968, Federal, State, and local governments actively and explicitly enforced policies that discriminated against racial minorities seeking homeownership opportunities, making it harder for them to purchase homes in certain neighborhoods or to obtain financing on fair terms, and during much of the 20th century, State and local governments promoted segregation in neighborhoods across the Nation by actively enforcing racially restrictive covenants, which were legally enforceable provisions in property deeds that prohibited racial minorities from purchasing homes in White residential neighborhoods;

Whereas during the height of the foreclosure crisis, about a quarter of African-American and Latino homeowners had lost their homes to foreclosure or were seriously delinquent, compared to just under 12 percent for White homeowners and just under 14 percent for Asian-American homeowners, and by 2011, 25 percent of Black homeowners and 28 percent of Hispanic homeowners had underwater mortgages, a home purchase loan with a higher outstanding principal obligation than the fair-market value of the home, compared to just 15 percent of White homeowners;

Whereas a National Fair Housing Alliance report in December 2019 found an 87-percent rate of racial steering, perverse redlining, and other harrowing forms of discrimina-

tion for families seeking to purchase homes in 12 cities across the United States;

Whereas 2018 Census Bureau data found the homeownership rate was 73 percent for non-Hispanic White households, 42 percent for African-American households, 47 percent for Hispanic or Latinx households, and 58 percent for Asian or Native Hawaiian/Pacific Islander households, and in the past 15 years, Black homeownership has seen the most dramatic drop of any racial or ethnic group and it is now as low as it was when discrimination was legal, contributing to the racial wealth gap;

Whereas a 2016 DEMOS study found that eliminating disparities in homeownership rates and returns would substantially reduce the racial wealth gap;

Whereas the 2016 DEMOS study found that Black and Latino homeowners saw less return in wealth on their investment in homeownership, finding that for every \$1 in wealth that accrues to median Black households as a result of homeownership, median White households accrue \$1.34, while for every \$1 in wealth that accrues to median Latino households as a result of homeownership, median White households accrue \$1.54;

Whereas the Center for Responsible Lending testified in May 2019 to the Subcommittee on Housing, Community Development and Insurance of the Financial Services Committee of the House of Representatives that data from the Home Mortgage Disclosure Act continues to demonstrate low levels of conventional mortgage loans to African-American and Latino families and, further, the Center for Investigative Reporting Reveal report analyzed 31 million mortgage records and found that, in 61 metropolitan areas in the United States, African Americans

and Latinos are more likely to be turned down for a conventional mortgage application than similarly situated White borrowers, among other forms of invidious discrimination; and

Whereas equal access to homeownership opportunities enhances social and economic diversity, promotes inclusion, and reaffirms equality and is consistent with principles of capitalism: Now, therefore, be it

- 1 *Resolved*, That the House of Representatives supports
- 2 the designation of “National Homeownership Month” and
- 3 honors the importance of the sacrosanct and uniquely
- 4 American idea of homeownership.

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