

May 13, 2024

The Honorable Brian Schatz
Chairman
Senate Appropriations Subcommittee on
Transportation, Housing and Urban
Development, and Related Agencies
Washington, DC 20510

The Honorable Cindy Hyde-Smith
Ranking Member
Senate Appropriations Subcommittee on
Transportation, Housing and Urban
Development, and Related Agencies
Washington, DC 20510

Dear Chairman Schatz and Ranking Member Hyde-Smith:

On behalf of **UnidosUS**, I write to urge you to advance a Transportation, Housing and Urban Development and Related Agencies FY2025 appropriations package that provides robust funding for the Housing Counseling Program.

UnidosUS is a nonprofit, nonpartisan organization that serves as the nation's largest Hispanic civil rights and advocacy organization. Since 1968, we have challenged the social, economic, and political barriers that affect Latinos through our unique combination of expert research, advocacy, programs, and an Affiliate Network of nearly 300 community-based organizations across the United States and Puerto Rico. We believe in an America where economic, political, and social progress is a reality for all Latinos, and we collaborate across communities to achieve it.

The Housing Counseling Program is a critical resource for Latino communities, offering vital services that help individuals and families improve their housing situations and achieve the dream of homeownership. By providing pre-purchase counseling, the program empowers Latinos to navigate the home-buying process, improve their credit, and secure affordable mortgages. This is particularly important given the significant homeownership gap between Latino and white households, which contributes to a substantial **wealth disparity**. Latino homeownership also serves as a powerful engine for the U.S. housing sector, playing a pivotal role in the robustness of the U.S. economy. Over the next 20 years, Latinos will comprise 70% of America's net new homeowners and are essential to the future of our nation's housing market and economy. The success of Latino homeowners and the American housing market have a mutual dependence and shared trajectory.

In addition to supporting homeownership, the Housing Counseling Program offers essential assistance to renters and homeowners facing financial challenges. Housing counselors help at-risk homeowners negotiate with lenders, modify loans, and find solutions to avoid foreclosure. They also provide guidance to renters, educating them about their rights and responsibilities,

resolving landlord disputes, and locating affordable rental housing. Many housing counseling agencies offer services in Spanish, ensuring that language barriers do not prevent Latinos from accessing these crucial resources.

Furthermore, the Housing Counseling Program delivers comprehensive financial education, equipping Latinos with the knowledge and skills to make informed decisions about their housing and improve their overall financial well-being. That is why we urge you to provide:

\$100 million for the Housing Counseling Program. This robust funding is vital to enable community-based organizations to provide the personal financial advice that keeps renters and homeowners in their homes and helps mortgage-ready prospective homebuyers achieve homeownership. Despite the proven effectiveness of early-stage housing counseling in preventing foreclosures, funding has not kept up with the need. In FY2010, Congress provided \$87.5 million for the program, compared to \$57.5 million last year — a \$30 million decrease, even though the median single-family home price has **soared** by nearly \$100,000 in just four years, reaching about \$417,000 at the end of 2023 compared to \$327,000 in 2019. We must address this funding gap to ensure that all Americans, including Latino communities, have access to the support they need.

The Housing Counseling Program is particularly relevant given the **recent settlement** arising from the National Association of Realtors (NAR) lawsuit which introduces significant changes in the real estate market, particularly impacting how homebuyers, **especially first-timers**, interact with and pay for real estate services. It will take time to determine the full consumer impact. However, these changes to long-held practices highlight the need for comprehensive educational resources and innovative service models tailored to assist first-time homebuyers. Ensuring that Latino families have access to culturally competent and extensive housing counseling is crucial for supporting individual homeownership dreams and bolstering the overall market's health and sustainability.

Investing in the Housing Counseling Program is not only a matter of securing safe, affordable, and stable housing for all; it is also a crucial step towards addressing the systemic inequalities that have long impacted Latino communities and ensuring the next generation has the support they need to build wealth through homeownership. We urge you to prioritize this program and provide the necessary funding to meet the urgent needs of our communities.

Sincerely,



Eric Rodriguez
Senior Vice President
Policy and Advocacy
UnidosUS