STAND. COM. REP. NO.

Honolulu, Hawaii

FEB 2 0 2009

RE: S.B. No. 456 S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2009 State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 456 entitled:

"A BILL FOR AN ACT RELATING TO DISCRIMINATION,"

begs leave to report as follows:

The purpose of this measure is to prohibit discrimination based on lawful source of income in housing transactions.

Your Committee received testimony in support of this measure from U. S. Representative Neil Abercrombie, four members of the Kauai County Council, Institute for Human Services, Legal Aid Society of Hawaii, Malama Kauai, Kauai Fair Housing Law Coalition, Kauai Food Bank, Agency on Elderly Affairs, and eighteen private citizens. Testimony in opposition to this measure was received from the Hawaii Public Housing Authority. Comments were received from the Hawaii Civil Rights Commission and B.Y. Realty Management and Sales. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that discrimination exists against persons who receive state or federal income assistance, such as Social Security benefits, Temporary Aid to Needy Families, or Section 8 housing vouchers. It is already very difficult for many families and individuals to find safe, affordable rental housing in many communities throughout the State. Discrimination makes an already difficult situation worse. Your Committee finds that this measure would prohibit discrimination based on lawful source of income in housing transactions but would still allow a landlord or



property manager to consider relevant characteristics of a renter such as ability to pay rent and prior rental history.

Your Committee recognizes the concerns of the Hawaii Civil Rights Commission that the Commission currently may not have the staff capacity to timely enforce the provisions of this measure and that the Commission's federal funding depends on complying with guidelines, such as claim processing time, established by the federal Department of Housing and Urban Development. Since it is not the intent of this measure to jeopardize the Commission's federal funding, Your Committee on Commerce and Consumer Protection recommends that the Committee on Judiciary and Government Operations investigate the legal issue of whether it would be more appropriate to include the provisions of this measure in a ban on discriminatory advertising rather than in the Fair Housing Act.

Your Committee has amended this measure by deferring its effective date to 2015 in order to encourage further discussion and to allow persons who are responsible for real estate transactions to update their forms and other written materials.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 456, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 456, S.D. 1, and be referred to the Committee on Judiciary and Government Operations.

> Respectfully submitted on behalf of the members of the Committee on Commerce and Consumer Protection,

Losaby & Balker ALYN H. BAKER, Chair



The Senate Twenty-Fifth Legislature State of Hawaii

Record of Votes Committee on Commerce and Consumer Protection CPN

Bill / Resolution No.:*	Committee Referral: CPN, TGD		Da ()	Date: 02/13/09	
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended A Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	· · ·				
IGE, David Y. (VC)		J			
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SAKAMOTO, Norman					
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TOTAL		7	0	0	0
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					