THE SENATE TWENTY-SIXTH LEGISLATURE, 2011 STATE OF HAWAII

S.B. NO. ⁹⁰⁹ S.D. 1

A BILL FOR AN ACT

RELATING TO DISCRIMINATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that low-income 2 individuals have an extremely difficult time finding affordable 3 rentals in Hawaii. This situation is made more frustrating when 4 housing vacancy advertisements discourage people from applying 5 by advertising "no section 8 accepted". Hawaii's laws currently do not prohibit discrimination based on lawful source of income. 6 However, a number of other states, including California and 7 8 Oregon, have prohibited this type of income discrimination. 9 Renters who participate in government assistance programs, such as the federal housing choice voucher program, also known as 10 11 section 8 housing, should have an equal opportunity to find 12 housing.

13 The purpose of this Act is to prohibit discrimination based
14 on lawful source of income in real estate transactions,
15 including advertisements for available rental units.

16 SECTION 2. Section 515-2, Hawaii Revised Statutes, is
17 amended by adding a new definition to be appropriately inserted
18 and to read as follows:

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1	" "Sou	arce of income" means any lawful source of money paid
2	directly o	or indirectly to a renter or buyer of housing,
3	including	the following sources:
4	(1)	Any lawful profession or occupation;
5	(2)	Any government or private assistance, grant, loan, or
6		rental assistance program, including low-income
7		housing assistance certificates and vouchers under the
8		United States Housing Act of 1937, Public Law 75-412,
9		as amended;
10	(3)	Any gift, inheritance, pension, annuity, alimony,
11		child support, or other consideration or benefit; and
12	(4)	Any sale or pledge of property or interest in
13		property."
14	SECTI	ON 3. Section 515-3, Hawaii Revised Statutes, is
15	amended to	read as follows:
16	"§515	-3 Discriminatory practices. It is a discriminatory
17	practice f	or an owner or any other person engaging in a real
18	estate tra	insaction, or for a real estate broker or salesperson,
19	because of	race, sex, including gender identity or expression,
20	sexual ori	entation, color, religion, marital status, familial
21	status, ancestry, disability, age, source of income, or human	
22	immunodeficiency virus infection:	
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1 To refuse to engage in a real estate transaction with (1) 2 a person; 3 (2) To discriminate against a person in the terms, 4 conditions, or privileges of a real estate transaction 5 or in the furnishing of facilities or services in 6 connection therewith; 7 (3) To refuse to receive or to fail to transmit a bona 8 fide offer to engage in a real estate transaction from 9 a person; 10 (4)To refuse to negotiate for a real estate transaction 11 with a person; 12 (5) To represent to a person that real property is not 13 available for inspection, sale, rental, or lease when 14 in fact it is available, or to fail to bring a 15 property listing to the person's attention, or to 16 refuse to permit the person to inspect real property, 17 or to steer a person seeking to engage in a real 18 estate transaction; 19 (6) To print, circulate, post, or mail, or cause to be 20 published a statement, advertisement, or sign, or to 21 use a form of application for a real estate 22 transaction, or to make a record or inquiry in



1		connection with a prospective real estate transaction,
2		that indicates, directly or indirectly, an intent to
3		make a limitation, specification, or discrimination
4		with respect thereto;
5	(7)	To offer, solicit, accept, use, or retain a listing of
6		real property with the understanding that a person may
7		be discriminated against in a real estate transaction
8		or in the furnishing of facilities or services in
9		connection therewith;
10	(8)	To refuse to engage in a real estate transaction with
11		a person or to deny equal opportunity to use and enjoy
12	-	a housing accommodation due to a disability because
13		the person uses the services of a guide dog, signal
14		dog, or service animal; provided that reasonable
15		restrictions or prohibitions may be imposed regarding
16		excessive noise or other problems caused by those
17		animals. For the purposes of this paragraph:
18		"Blind" shall be as defined in section 235-1;
19		"Deaf" shall be as defined in section 235-1;
20		"Guide dog" means any dog individually trained by
21		a licensed guide dog trainer for guiding a blind

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1 person by means of a harness attached to the dog and a 2 rigid handle grasped by the person; 3 "Reasonable restriction" shall not include any 4 restriction that allows any owner or person to refuse 5 to negotiate or refuse to engage in a real estate 6 transaction; provided that as used in this paragraph, 7 the "reasonableness" of a restriction shall be 8 examined by giving due consideration to the needs of a 9 [reasonable] reasonably prudent person in the same or 10 similar circumstances. Depending on the 11 circumstances, a "reasonable restriction" may require 12 the owner of the service animal, quide dog, or signal 13 dog to comply with one or more of the following: 14 (A) Observe applicable laws including leash laws and 15 pick-up laws; 16 Assume responsibility for damage caused by the (B) 17 dog; or 18 Have the housing unit cleaned upon vacating by (C) 19 fumigation, deodorizing, professional carpet 20 cleaning, or other method appropriate under the 21 circumstances.



1		The foregoing list is illustrative only, and neither
2		exhaustive nor mandatory;
3		"Service animal" means any animal that is trained
4		to provide those life activities limited by the
5		disability of the person;
6		"Signal dog" means any dog that is trained to
7		alert a deaf person to intruders or sounds;
8	(9)	To solicit or require as a condition of engaging in a
9		real estate transaction that the buyer, renter, or
10		lessee be tested for human immunodeficiency virus
11		infection, the causative agent of acquired
12		immunodeficiency syndrome;
13	(10)	To refuse to permit, at the expense of a person with a
14		disability, reasonable modifications to existing
15		premises occupied or to be occupied by the person if
16		modifications may be necessary to afford the person
17		full enjoyment of the premises. A real estate broker
18		or salesperson, where it is reasonable to do so, may
19		condition permission for a modification on the person
20		agreeing to restore the interior of the premises to
21		the condition that existed before the modification,
22		reasonable wear and tear excepted;



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1	(11)	To refuse to make reasonable accommodations in rules,
2		policies, practices, or services, when the
3		accommodations may be necessary to afford a person
4		with a disability equal opportunity to use and enjoy a
5		housing accommodation;
6	(12)	In connection with the design and construction of
7		covered multifamily housing accommodations for first
8		occupancy after March 13, 1991, to fail to design and
9		construct housing accommodations in [such] a manner
10	ι,	that:
11		(A) The housing accommodations have at least one
12		accessible entrance, unless it is impractical to
13		do so because of the terrain or unusual
14		characteristics of the site; and
15	• •	(B) With respect to housing accommodations with an
16		accessible building entrance:
17		(i) The public use and common use portions of
18		the housing accommodations are accessible to
19		and usable by disabled persons;
20		(ii) Doors allow passage by persons in
21		wheelchairs; and



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1	(iii)	All premises within covered multifamily
2		housing accommodations contain an accessible
3		route into and through the housing
4		accommodations; light switches, electrical
5		outlets, thermostats, and other
6		environmental controls are in accessible
7		locations; reinforcements in the bathroom
8		walls allow installation of grab bars; and
9		kitchens and bathrooms are accessible by
10		wheelchair; or
11	(13) To discri	minate against or deny a person access to, or
12	membershi	o or participation in any multiple listing
13	service,	real estate broker's organization, or other
14	service,	organization, or facility involved either
15	directly	or indirectly in real estate transactions, or
16	to discri	minate against any person in the terms or
17	condition	s of [such] access, membership, or
18	participa	cion."
19	SECTION 4. See	ction 515-4, Hawaii Revised Statutes, is
20	amended to read as :	Eollows:
21	"§515-4 Exemp	tions. (a) Section 515-3 does not apply:



1	(1)	To the rental of a housing accommodation in a building
2		which contains housing accommodations for not more
3	•	than two families living independently of each other
4		if the lessor resides in one of the housing
5		accommodations; or
6	(2)	To the rental of a room or up to four rooms in a
7		housing accommodation by an individual if the
8		individual resides therein.
9	(b)	Nothing in section 515-3 shall be deemed to prohibit
10	refusal,	because of sex, including gender identity or
11	expressio	on, sexual orientation, or marital status, to rent or
12	lease hou	sing accommodations:
13	.(1)	Owned or operated by a religious institution and used
14		for church purposes as that term is used in applying
15		exemptions for real property taxes; or
16	(2)	Which are part of a religiously affiliated institution
17		of higher education housing program [which] <u>that</u> is
18 .		operated on property that the institution owns or
19		controls, or [which] that is operated for its students
20		pursuant to Title IX of the Higher Education Act of
21		1972.

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1	(C)	Nothing in this chapter regarding familial status or
2	age shall	apply to housing for older persons as defined by <u>Title</u>
3	42 United	States Code [section] Section 3607(b)(2).
4	(d)	Nothing in section 515-3 shall be deemed to prohibit a
5	person fro	om determining the ability of a potential buyer or
6	renter to	pay a purchase price or rent by:
7	(1)	Verifying, in a commercially reasonable manner, the
8		source and amount of income of the potential buyer or
9		renter; or
10	(2)	Evaluating, in a commercially reasonable manner, the
11		stability, security, and credit worthiness of the
12		potential buyer or renter or any source of income of
13		the potential buyer or renter."
14	SECT	ION 5. Section 515-5, Hawaii Revised Statutes, is
15	amended to read as follows:	
16	"§51!	5-5 Discriminatory financial practices. It is a
17	discriminatory practice for a person, a representative of [such]	
18	<u>a</u> person, or a real estate broker or salesperson, to whom an	
19	inquiry or application is made for financial assistance in	
20	connection with a real estate transaction or for the	
21	construction, rehabilitation, repair, maintenance, or	
22	improveme	nt of real property, because of race, sex, including
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1 gender identity or expression, sexual orientation, color, 2 religion, marital status, familial status, ancestry, disability, 3 age, source of income, or human immunodeficiency virus infection: 4 5 To discriminate against the applicant; (1)To use a form of application for financial assistance 6 (2) or to make or keep a record or inquiry in connection 7 with applications for financial assistance that 8 9 indicates, directly or indirectly, an intent to make a 10 limitation, specification, or discrimination unless 11 the records are required by federal law; 12 (3) To discriminate in the making or purchasing of loans 13 or the provision of other financial assistance for 14 purchasing, constructing, improving, repairing, or 15 maintaining a dwelling, or the making or purchasing of 16 loans or the provision of other financial assistance 17 secured by residential real estate; or 18 To discriminate in the selling, brokering, or (4) 19 appraising of residential real property." 20 SECTION 6. Section 515-6, Hawaii Revised Statutes, is 21 amended by amending subsections (a) and (b) to read as follows:

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1 Every provision in an oral agreement or a written "(a) 2 instrument relating to real property that purports to forbid or 3 restrict the conveyance, encumbrance, occupancy, or lease 4 thereof to individuals because of race, sex, including gender 5 identity or expression, sexual orientation, color, religion, 6 marital status, familial status, ancestry, disability, age, 7 source of income, or human immunodeficiency virus infection, 8 [is] shall be void.

9 Every condition, restriction, or prohibition, (b) 10 including a right of entry or possibility of reverter, that 11 directly or indirectly limits the use or occupancy of real 12 property on the basis of race, sex, including gender identity or 13 expression, sexual orientation, color, religion, marital status, 14 familial status, ancestry, disability, age, source of income, or 15 human immunodeficiency virus infection [is] shall be void, except a limitation, on the basis of religion, on the use of 16 17 real property held by a religious institution or organization or by a religious or charitable organization operated, supervised, 18 19 or controlled by a religious institution or organization, and 20 used for religious or charitable purposes."

21 SECTION 7. Section 515-7, Hawaii Revised Statutes, is
22 amended to read as follows:



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1 "§515-7 Blockbusting. It is a discriminatory practice for 2 a person, representative of a person, or a real estate broker or 3 salesperson, for the purpose of inducing a real estate transaction from which the person, representative, or real 4 5 estate broker or salesperson may benefit financially, because of 6 race, sex, including gender identity or expression, sexual orientation, color, religion, marital status, familial status, 7 8 ancestry, disability, age, source of income, or human 9 immunodeficiency virus infection: 10 To represent that a change has occurred or will or may (1)11 occur in the composition of the owners or occupants in 12 the block, neighborhood, or area in which the real 13 property is located; or To represent that this change will or may result in 14 (2) 15 the lowering of property values, an increase in 16 criminal or antisocial behavior, or a decline in the 17 quality of schools in the block, neighborhood, or area in which the real property is located." 18 19 SECTION 8. Section 515-16, Hawaii Revised Statutes, is 20 amended to read as follows:

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1	"§51	5-16 Other discriminatory practices. It is a
2	discrimin	atory practice for a person, or for two or more persons
3	to conspi	re:
4	(1)	To retaliate, threaten, or discriminate against a
5		person because of the exercise or enjoyment of any
6		right granted or protected by this chapter, or because
7		the person has opposed a discriminatory practice, or
8		because the person has made a charge, filed a
9		complaint, testified, assisted, or participated in an
10		investigation, proceeding, or hearing under this
11		chapter;
12	(2)	To aid, abet, incite, or coerce a person to engage in
13		a discriminatory practice;
14	(3)	To interfere with any person in the exercise or
15		enjoyment of any right granted or protected by this
16		chapter or with the performance of a duty or the
17		exercise of a power by the commission;
18	(4)	To obstruct or prevent a person from complying with
19		this chapter or an order issued thereunder;
20	(5)	To intimidate or threaten any person engaging in
21		activities designed to make other persons aware of, or



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1		encouraging [such] other persons to exercise rights
2		granted or protected by this chapter; or
3	(6)	To threaten, intimidate, or interfere with persons in
4		their enjoyment of a housing accommodation because of
5		the race, sex, color, religion, marital status,
6		familial status, ancestry, disability, age, source of
7		income, or human immunodeficiency virus infection of
8		[such] the persons, or of visitors or associates of
9		[such] the persons."
10	SECT	ION 9. This Act does not affect rights and duties that
11	matured,	penalties that were incurred, and proceedings that were
12	begun bef	ore its effective date.
13	SECT	ION 10. Statutory material to be repealed is bracketed
14	and stric	ken. New statutory material is underscored.
15	SECT	ION 11. This Act shall take effect on July 1, 2050.
16		



Report Title:

Discrimination in Real Property Transactions; Source of Income

Description:

Prohibits discrimination in real property transactions that is based on the use of a lawful source of income. Effective 7/1/2050. (SD1)

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