



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

January 23, 2020

TO: The Honorable Senator Stanley Chang, Chair
Senate Committee on Housing

FROM: Scott Morishige, MSW, Governor's Coordinator on Homelessness

SUBJECT: **SB2032– RELATING TO RENTAL DISCRIMINATION**

Hearing: Thursday, January 23, 2020, 1:15 p.m.
Conference Room 225, State Capitol

POSITION: The Governor's Coordinator supports this measure as it addresses a key barrier to housing faced by low-income and homeless individuals and families statewide.

PURPOSE: The purpose of the bill is to prohibit discrimination, including in advertisements for available rental units, based on receipt of income from a housing assistance program, or requirements related to participation in housing assistance programs, in rental transactions and requirements.

This measure will address a key barrier to housing for many low-income and homeless individuals and families throughout the State. The Coordinator notes that the states of Connecticut, Maine, Massachusetts, New Jersey, North Dakota, Oklahoma, Oregon, Utah, Vermont, Washington, and Washington, D.C., have adopted statutes that prohibit rental discrimination based on source of income, which includes the use of housing vouchers. A recent large-scale multi-site study conducted by the U.S. Department of Housing and Urban Development (HUD) looked at landlord acceptance rates of vouchers, and found a lower rate of voucher denial in jurisdictions with voucher non-discrimination protections.ⁱ

Homelessness remains one of the most pressing challenges facing Hawaii, and the State has adopted a comprehensive framework to address homelessness that focuses on three primary leverage points – affordable housing, health and human services, and public safety.

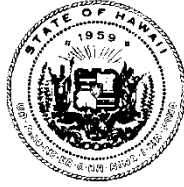
The Coordinator works closely with multiple state agencies and homeless service providers to implement this framework through the delivery of housing-focused services like Housing First and Rapid Re-Housing, as well as outreach and treatment services for unsheltered homeless individuals experiencing severe mental illness and/or addiction. The coordinated efforts to implement the State's framework to address homelessness have made progress in reducing the number of homeless individuals statewide. Between 2016 and 2019, the number of individuals exiting homeless programs to permanent housing increased from an average of 357 per month to an average of 616 per month – an increase of 73%. During the same period, the overall statewide Point in Time count of homeless individuals decreased by 19.1% (1,509 individuals).

Despite the progress in addressing homelessness, many homeless individuals continue to experience difficulties in locating permanent housing, even when assigned a housing voucher through programs such as Housing First, the State Rent Supplement Program, the Section 8 Housing Choice Voucher Program, Tenant Based Rental Assistance (TBRA), or HUD's Veterans Affairs Supportive Housing (HUD-VASH) program. According to feedback from service providers, many landlords are reluctant to rent to individuals who have a voucher or who report receiving case management through Housing First or similar program. Providers have shared that a number of advertisements for housing specifically state “No Section 8” or “No Vouchers.” The Coordinator's office has also received direct calls and e-mails from constituents who cite discrimination against individuals with a housing voucher as a key factor related to their homelessness.

Thank you for the opportunity to testify on this bill.

ⁱ Cunningham, M., et al. (October 17, 2018). A Pilot Study of Landlord Acceptance of Housing Choice Vouchers. Retrieved January 17, 2020 from: <https://www.huduser.gov/portal/sites/default/files/pdf/Landlord-Acceptance-of-Housing-Choice-Vouchers.pdf>

DAVID Y. IGE
GOVERNOR



HAKIM OUANSAFI
EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO
EXECUTIVE ASSISTANT

STATE OF HAWAII

HAWAII PUBLIC HOUSING AUTHORITY
1002 NORTH SCHOOL STREET
POST OFFICE BOX 17907
HONOLULU, HAWAII 96817

Statement of
Hakim Ouansafi

Hawaii Public Housing Authority
Before the

SENATE COMMITTEE ON HOUSING

Thursday, January 23, 2020

1:15 PM - Room 225, Hawaii State Capitol

In consideration of
SB 2032

RELATING TO RENTAL DISCRIMINATION

Honorable Chair Chang and Members of the Senate Committee on Housing, thank you for the opportunity to provide testimony concerning Senate Bill (SB) 2032, relating to rental discrimination.

The Hawaii Public Housing Authority (HPHA) supports the enactment of SB 2032, which prohibits discrimination, including in advertisements for available real property, based on participation in a housing assistance program, or requirements related to participation in housing assistance programs, in real estate transactions and requirements.

The HPHA's mission is to promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination through its public housing and rental assistance programs. The HPHA serves the State's most vulnerable populations, including those earning less than thirty percent of the Area Median Income (AMI), the disabled and the elderly.

One of the programs in which the HPHA assists our low-income families is through the Section 8 Housing Choice Voucher Program, also known as "Section 8 HCV". The Section 8 HCV program is one of the federal government's major programs for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market, including single-family homes, townhouses and apartments. This program currently brings \$35.91 million dollars a year primarily on the island of Oahu, supports over 2,400 families and over 6,700 individuals.

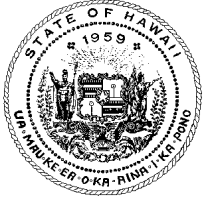
Because of the overwhelming need in our community to assist our low-income families, we are hopeful that with the passage of this measure, our Section 8 HCV participants will be considered as tenants and given a chance to apply for vacant units. Unfortunately, 86 families had to return their voucher back to the HPHA because they were unable to find a rental unit last year.

The Section 8 HCV program is an important part of the State's efforts in addressing the affordable housing needs of our low-income families. All families go through a criminal background, sex offender and
AN EQUAL OPPORTUNITY AGENCY

Providing Housing Assistance and Programs Free from Discrimination

Homeland Security screenings before being given a voucher to pursue a rental unit, and the HPHA is willing to work and assist all landlords that would like to participate in the program.

The HPHA appreciates the opportunity to provide the Senate Committee on Housing with the HPHA's testimony regarding SB 2032. We thank you very much for your dedicated support.



LATE

HAWAI'I CIVIL RIGHTS COMMISSION

830 PUNCHBOWL STREET, ROOM 411 HONOLULU, HI 96813 · PHONE: 586-8636 FAX: 586-8655 TDD: 568-8692

January 23,, 2020
Rm. 225, 1:15 p.m.

To: The Honorable Stanley Chang, Chair
Members of the Senate Committee on Housing

From: Linda Hamilton Krieger, Chair
and Commissioners of the Hawai'i Civil Rights Commission

Re: S.B. No. 2032

The Hawai'i Civil Rights Commission (HCRC) has enforcement jurisdiction over Hawai'i's laws prohibiting discrimination in employment, housing, public accommodations, and access to state and state funded services. The HCRC carries out the Hawai'i constitutional mandate that no person shall be discriminated against in the exercise of their civil rights. Art. I, Sec. 5.

The HCRC supports S.B. No. 2032, which would amend the HRS to add a new chapter to prohibit housing discrimination against persons based on their source of income, including participation in a housing assistance program or requirements related to participation in a housing assistance program. While this new protection is different in kind from the protected bases under fair housing law, there is some correlation between the protected bases under federal and state fair housing law and those who receive rental assistance and other sources of income from government programs – many are people living with disabilities, families with children, single female heads of household, and members of racial minority groups.

In recent years a number of states and municipalities have enacted laws prohibiting discrimination in housing based on lawful source of income, including Section 8 vouchers as a source of income. Courts have held that these state and local laws are not preempted by federal Section 8 law (which states that participation in the Section 8 program is voluntary), and that the burden of participating in the Section 8

program is not onerous.

S.B. No. 2032 is identical to a bill that was passed by the Senate during the 2019 session, in the form of S.B. No. 122, S.D.2. In that bill, S.B. No. 122, S.D.2, the Senate Committee on Judiciary addressed concerns raised by the HCRC, by incorporating amendments: Removing the new prohibition against discrimination based on participation in a housing assistance program from HRS chapter 515 and HCRC jurisdiction; placing the new prohibited practice in a new chapter of the HRS, with enforcement through direct civil action and provision for appropriate remedies; and, limiting the scope of the prohibition to discrimination based on participation in a government assistance program by amending the definition of “housing assistance program.”

The concerns raised by the HCRC in 2019 having been addressed, the HCRC supports S.B. No. 2032.

January 22, 2020

The Honorable Stanley Chang, Chair
Senate Committee on Housing
State Capitol, Room 225
Honolulu, HI 96813

RE: S.B. 2032, Relating to Rental Discrimination

HEARING: Thursday, January 23, 2020, at 1:15 p.m.

Aloha Chair Chang, Vice Chair Kanuha, and Members of the Committee,

I am Ken Hiraki, Director of Government Affairs, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i, and its over 10,000 members. HAR **opposes** S.B. 2032 which prohibits discrimination, including in advertisements for available rental units, based on participation in a housing assistance program, or requirements related to participation in housing assistance programs, in real estate transactions and requirements.

HAR believes that government subsidized housing assistance programs, such as Section 8, are an important part of our community's social safety net. However, the section 8 process has additional paperwork, inspections and processes. It can often take 2 months or longer before a landlord receives their first rental check. While property managers may possess the experience and knowledge necessary to navigate safely through this process, it may be too complex, expensive and time consuming for the average landlord.

Additionally, the issue of whether a landlord is engaged in a discriminatory practice, simply by not choosing to participate in a housing assistance program, becomes subjective and ambiguous. As a result, even the most diligent landlord could find himself or herself the subject of a discrimination complaint.

HAR believes that it is not a good practice to make government assistance housing programs, which are optional to participate in, to be considered a discriminatory practice. Instead, we should focus on solutions that encourage property owners to participate in these valuable programs.

Mahalo for the opportunity to testify.

TESTIMONY IN SUPPORT OF SB 2032

TO: Senate Committee on Housing

FROM: Nikos Leverenz
Grants, Development & Policy Manager

DATE: January 23, 2020 (1:15 PM)

Chair Chang, Vice-Chair Kanuha, and Members of the Committee:

Hawai'i Health & Harm Reduction Center (HHHRC) **supports** SB 2032, which would prohibit discrimination in real estate transactions and requirements based on participation in a housing assistance program or requirements related to participation in housing assistance programs.

This measure recognizes that many low-income persons and families who obtain needed assistance have great difficulty in finding and securing rentals in a perennially high-cost, low-supply housing landscape. Hawai'i should join the states of Connecticut, Maine, Massachusetts, New Jersey, North Dakota, Oklahoma, Oregon, Utah, Vermont, and Washington and the District of Columbia in prohibiting rental discrimination based on income sources.

HHHRC works with many individuals who are impacted by poverty, housing instability, and other social determinants of health. Many have behavioral health problems, including those relating to substance use and underlying mental health conditions. As such, we support a comprehensive "Housing First" approach for those struggling with housing instability.

[As noted by the Corporation for Supportive Housing](#), "Access to safe, quality, affordable housing – and the supports necessary to maintain that housing – constitute one of the most basic and powerful social determinants of health. **[For] individuals and families trapped in a cycle of crisis and housing instability due to extreme poverty, trauma, violence, mental illness, addiction or other chronic health conditions, housing can entirely dictate their health and health trajectory. For these populations, housing is a necessary precursor of health.**" (emphasis added)

Thank you for the opportunity to testify on this measure.

SB-2032

Submitted on: 1/22/2020 1:38:48 PM

Testimony for HOU on 1/23/2020 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Victor K. Ramos	Individual	Oppose	No

Comments:

I am concerned that a mere unsubstantiated accusation of discrimination may adversely affect a landlord(s). Consider placing protection from false accusations in this proposal.

LATE

SB-2032

Submitted on: 1/22/2020 6:50:16 PM

Testimony for HOU on 1/23/2020 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Charmaine Doran	Individual	Support	No

Comments:

Thank you to Senator Chang, Senator Fevella, Senator Harimoto (et al), for introducing this measure for consideration in 2020.

Section 8 discrimination is prevalent in Hawaii. It is particularly common on Oahu, where 8 tenants are regularly and openly discriminated against. We have all seen countless rental ads that, without any repercussions, prominently and illegally display "No Section 8". In many instances, State and Federal law already prohibits discrimination. However, with a lack of enforcement and the need for more clarity in the law, these types of discriminatory practices have grown tremendously.

Every day our kama'aina women, children, seniors and our disabled, are denied access to housing and systematically discriminated against because they are Section 8 participants.

As a long-time rental property owner, I have had many Section 8 tenants. I have found that the HUD housing standards are no more stringent than the mandates of the Landlord Tenant Code. The rental limits are reasonable and consistent with Hawaii's rental market. Monthly rent payments are on time and the annual inspections are typically useful tools for both the landlord and the tenant. In short, there is no valid reason to deny all Section 8 tenants as a collective.

SB 2032 will go far in addressing a long-standing problem. I hope that this committee will also work to provide increased enforcement as well as public education about the Section 8 program.

In November 2019, the Pearl City Neighborhood Board (No. 21) adopted a resolution outlining Legislative Priorities for 2020 and included as a priority *Prohibiting Rental Discrimination for Section 8 Tenants*. This resolution can be located online here:

http://www.honolulu.gov/rep/site/nco/nb21/resolutions/2019-11_Resolution_Regarding_2020_Legislative_Priorities.pdf

Mahalo,

Charmaine T. Doran

chardoranhawaii@gmail.com

808-352-6562

Realtor Associate

Member, Pearl City Neighborhood Board