

STAND. COM. REP. NO. 646

Honolulu, Hawaii

MAR 04 2021

RE: S.B. No. 36
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 36, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO RENTAL DISCRIMINATION,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Prohibit 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 rental transactions and requirements;
- (2) Establish the landlord incentive program special fund to reimburse land owners who participate in the Section 8 Housing Choice Voucher Program for repair costs of tenant-caused property damage when the repair costs exceed the tenant's security deposit; and
- (3) Make an appropriation.

Your Committee received testimony in support of this measure from the Governor's Coordinator on Homelessness; Hawai'i Civil Rights Commission; Office of the Mayor of the City and County of Honolulu; Catholic Charities Hawai'i; Family Promise of Hawaii; Partners In Care; The Institute for Human Services, Inc; Imua



Alliance; League of Women Voters of Hawaii; American Civil Liberties Union of Hawai'i; and three individuals. Your Committee received testimony in opposition to this measure from the Hawai'i Association of REALTORS. Your Committee received comments on this measure from the Department of Budget and Finance and Office of Hawaiian Affairs.

Your Committee finds that low-income individuals experience extreme difficulty in finding affordable housing rentals in Hawaii. Many housing vacancy advertisements proclaim "no Section 8 accepted" or "Section 8 need not apply" in an effort to prevent low-income individuals with housing vouchers from consideration for tenancy. Your Committee further finds that many states, the District of Columbia, and many cities and counties already prohibit discrimination based on source of income. In those areas where this discrimination is already prohibited, renters with housing vouchers are twelve percent more likely to find housing than in areas that allow for this type of discrimination. Your Committee finds that this measure will prohibit discrimination, including in advertisements for available real property, based on participation in a housing assistance program.

Your Committee notes that, although the landlord incentive program requires a source of funding, the current referral of this measure does not include your Committee on Ways and Means, and thus this measure should not establish a special fund or make an appropriation at this time. Your Committee further finds that this consideration may merit further discussion as this measure proceeds in the legislative process.

Accordingly, your Committee has amended this measure by:

- (1) Removing sections that would have established the landlord incentive program special fund and made appropriations;
- (2) Inserting an effective date of May 6, 2137, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.



As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 36, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 36, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary,



KARL RHOADS, Chair



