
A BILL FOR AN ACT

RELATING TO RENTAL DISCRIMINATION.

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

1 SECTION 1. The legislature finds that low-income
2 individuals experience extreme difficulty in finding affordable
3 rentals in Hawai'i. This situation becomes all the more
4 frustrating when housing vacancy advertisements proclaim "no
5 Section 8 accepted" or "Section 8 need not apply" in an effort
6 to prevent low-income individuals with housing vouchers from
7 being considered as tenants. News reports, locally and
8 nationally, have documented that prospective tenants are often
9 rejected by landlords due to their use of housing vouchers or
10 other forms of housing assistance, or based on requirements for
11 participation in a housing program.

12 The legislature further finds that studies have shown that
13 when there are laws to prevent discrimination against renters
14 with housing vouchers, such renters are twelve per cent more
15 likely to find housing. Discrimination against voucher holders
16 and recipients of other housing assistance programs, often
17 termed "source of income" discrimination, is prohibited in



1 twelve states and the District of Columbia, as well as numerous
2 cities and counties throughout the United States. Further, the
3 American Bar Association adopted a resolution in 2017 calling
4 for enactment of laws that ban housing discrimination based on
5 lawful sources of income. Hawai'i law currently does not
6 prohibit housing discrimination based on lawful sources of
7 income.

8 The legislature notes that source of income laws do not
9 alter or restrict the standard industry practices to vet
10 prospective renters. Rather, these laws prohibit landlords from
11 rejecting prospective renters who receive housing vouchers or
12 other housing assistance simply because of the voucher or
13 assistance. The legislature believes that renters who
14 participate in housing assistance programs, such as the federal
15 housing choice voucher program, also known as section 8 housing,
16 should have an equal opportunity to find housing.

17 The legislature further finds that allowing landlords to
18 consider a rental applicant's source of income also functions as
19 a proxy for discriminating against women. Nationally, prior to
20 the coronavirus disease 2019 (COVID-19) pandemic, eighty-three
21 per cent of households participating in the section 8 federal



1 housing choice voucher program were headed by women. Currently,
2 there are more than twenty-two thousand single mothers in
3 Hawai'i, and ninety-two per cent of single mothers surveyed
4 during the COVID-19 pandemic reported that they had lost
5 financial independence due to the economic crisis.

6 The purpose of this Act is to prohibit discrimination,
7 including in advertisements for available real property, based
8 on participation in a housing assistance program, or
9 requirements related to participation in housing assistance
10 programs, in real estate transactions and requirements.

11 SECTION 2. The Hawaii Revised Statutes is amended by
12 adding a new chapter to be appropriately designated and to read
13 as follows:

14 **"CHAPTER**

15 **SOURCE OF INCOME DISCRIMINATION IN HOUSING**

16 § -1 **Definitions.** As used in this chapter, unless the
17 context clearly requires otherwise:

18 "Housing assistance program" means any government
19 assistance, grant, loan, or rental assistance program, including
20 low-income housing assistance certificates and vouchers under
21 the United States Housing Act of 1937, as amended.



1 "Rental transaction" means any part of the process or
2 transaction for the rental or lease of a premises for
3 residential purposes.

4 "Steer" means the practice of directing persons who seek to
5 enter into a rental transaction toward or away from the premises
6 to deprive them of the benefits of living in a discrimination-
7 free environment.

8 § -2 **Discriminatory practices.** (a) It is a
9 discriminatory practice for an owner or any other person
10 engaging in a real estate transaction, or for a real estate
11 broker or salesperson, because of participation in a housing
12 assistance program or requirements related to participation in a
13 housing assistance program to:

- 14 (1) Refuse to engage in a real estate transaction with a
15 person;
- 16 (2) Discriminate against a person in the terms,
17 conditions, or privileges of a real estate transaction
18 or in the furnishing of facilities or services in
19 connection with a real estate transaction;



- 1 (3) Refuse to receive or to fail to transmit a bona fide
2 offer to engage in a real estate transaction from a
3 person;
- 4 (4) Refuse to negotiate for a real estate transaction with
5 a person;
- 6 (5) Represent to a person that real property is not
7 available for inspection, sale, rental, or lease when
8 in fact it is available; or to fail to bring a
9 property listing to the person's attention; or to
10 refuse to permit the person to inspect real property;
11 or to steer a person seeking to engage in a real
12 estate transaction;
- 13 (6) Offer, solicit, accept, use, or retain a listing of
14 real property with the understanding that a person may
15 be discriminated against in a real estate transaction
16 or in the furnishing of facilities or services in
17 connection with a real estate transaction; or
- 18 (7) Discriminate against or deny a person access to, or
19 membership or participation in, any multiple listing
20 service, real estate broker's organization, or other
21 service, organization, or facility involved either



1 directly or indirectly in real estate transactions; or
2 to discriminate against any person in the terms or
3 conditions of access, membership, or participation.

4 (b) Nothing in this section shall be deemed to prohibit a
5 person from 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 § -3 **Blockbusting.** It is a discriminatory practice for
15 a person, representative of a person, or a real estate broker or
16 salesperson, for the purpose of inducing a real estate
17 transaction from which the person, representative, or real
18 estate broker or salesperson may benefit financially, because of
19 participation in a housing assistance program or requirements
20 related to participation in a housing assistance program, to
21 represent that:



1 (1) A change has occurred or will or may occur in the
2 composition of the owners or occupants in the block,
3 neighborhood, or area in which the real property is
4 located; or

5 (2) A change will or may result in the lowering of
6 property values, an increase in criminal or antisocial
7 behavior, or a decline in the quality of schools in
8 the block, neighborhood, or area in which the real
9 property is located.

10 § -4 Other discriminatory practices. It is a
11 discriminatory practice for a person, or for two or more
12 persons, to conspire to:

13 (1) Retaliate, threaten, or discriminate against a person
14 because of the exercise or enjoyment of any right
15 granted or protected by this chapter; or because the
16 person has opposed a discriminatory practice; or
17 because the person has made a charge, filed a
18 complaint, testified, assisted, or participated in an
19 investigation, proceeding, or hearing under this
20 chapter;



- 1 (2) Aid, abet, incite, or coerce a person to engage in a
2 discriminatory practice;
- 3 (3) Interfere with any person in the exercise or enjoyment
4 of any right granted or protected by this chapter or
5 with the performance of a duty or the exercise of a
6 power by the commission;
- 7 (4) Obstruct or prevent a person from complying with this
8 chapter or an order issued pursuant to this chapter;
- 9 (5) Intimidate or threaten any person engaging in
10 activities designed to make other persons aware of, or
11 encouraging such other persons to exercise rights
12 granted or protected by this chapter;
- 13 (6) Threaten, intimidate, or interfere with persons in
14 their enjoyment of a housing accommodation because of
15 participation in a housing assistance program or
16 requirements related to participation in a housing
17 assistance program; or
- 18 (7) Print, circulate, post, or mail, or cause to be
19 published a statement, advertisement, or sign, or to
20 use a form of application for a real estate
21 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 or specification, or to discriminate
4 because of participation in a housing assistance
5 program or requirements related to participation in a
6 housing assistance program.

7 **§ -5 Remedies for discrimination based on participation**
8 **in a housing assistance program.** (a) If a person engaging in a
9 real estate transaction engages in a discriminatory practice
10 based on participation in a housing assistance program or
11 requirements related to participation in a housing assistance
12 program in violation of this chapter, any aggrieved person may
13 bring a civil action in district court for appropriate
14 injunctive relief within one year of the occurrence of the
15 discriminatory violation.

16 (b) In an action brought pursuant to subsection (a), a
17 district court:

18 (1) May issue an injunction to enjoin violation of this
19 chapter in regard to discriminatory practices based on
20 participation in a housing assistance program or



1 requirements related to participation in a housing
2 assistance program; and

3 (2) In any case in which it issues an injunction pursuant
4 to paragraph (1), may also assess a fine not to exceed
5 \$5,000 and award reasonable attorney's fees incurred
6 in the civil action."

7 SECTION 3. The executive director of the Hawaii civil
8 rights commission shall produce materials related to this Act
9 and publicize the prohibition against discrimination based on
10 participation in housing assistance programs or requirements
11 related to participation in housing assistance programs.

12 SECTION 4. This Act does not affect rights and duties that
13 matured, penalties that were incurred, and proceedings that were
14 begun before its effective date.

15 SECTION 5. This Act shall take effect upon its approval.



Report Title:

Real Property Discrimination; Housing Assistance Program

Description:

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. (SD1)

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