

HAKIM OUANSAFI EXECUTIVE DIRECTOR

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## 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

Tuesday, March 29, 2022 1:00 PM – Videoconference – Room 225, Hawaii State Capitol

In consideration of SCR 162 / SR 154

REQUESTING THE GOVERNOR TO ORDER EXECUTIVE AGENCIES TO REVIEW AND REVISE THEIR
POLICIES AND RULES TO PROHIBIT DISCRIMINATION IN RENTAL TRANSACTIONS AND
ADVERTISEMENTS FOR RENTAL TRANSACTIONS BASED ON SOURCE OF INCOME OR PARTICIPATION IN
HOUSING ASSISTANCE PROGRAMS

Honorable Chair Chang and Members of the Senate Committee on Housing, thank you for the opportunity to provide testimony concerning Senate Concurrent Resolution (SCR) 162 / Senate Resolution (SR) 154, and offers the following **comments**.

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 disadvantaged populations, including those earning less than thirty percent of the Area Median Income (AMI), the disabled and the elderly.

The Fair Housing Act prohibits the HPHA from discriminating against families and individuals because of race, color, national origin, religion, sex (including gender, gender identity, sexual orientation, and sexual harassment), familial status, and disability. A variety of other Federal civil rights laws, including Title VI of the Civil Rights Act, Section 504 of the Rehabilitation Act, and the Americans with Disabilities Act, prohibit discrimination in housing and community development programs and activities, particularly those that are assisted with U.S. Department of Housing and Urban Development (HUD) funding.

These civil rights laws include obligations such as taking reasonable steps to ensure meaningful access to their programs and activities for persons with limited English proficiency (LEP) and taking appropriate

steps to ensure effective communication with individuals with disabilities through the provision of appropriate auxiliary aids and services. Various Federal Fair Housing and civil rights laws require HUD and its program participants to affirmatively further the purposes of the Fair Housing Act.

Please know that until the State of Hawaii enacts a law that 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, this type of discrimination will continue.

The HPHA appreciates the opportunity to provide the Committee with the HPHA's testimony. We thank you very much for your dedicated support.



Tuesday, March 29, 2022 Videoconference, 1;00 p.m. Room 225

To: The Honorable Stanley Chang, Chair

The Honorable Dru Mamo Kanuha, Vice Chair Members of the Senate Committee on Housing

From: Liann Ebesugawa, Chair

and Commissioners of the Hawai'i Civil Rights Commission

Re: S.C.R. 162/ S.R. 154

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.

HCRC offers these comments on S.C.R. 162 and S.R. 154 which, if adopted, would request all executive agencies to review and revise their policies and rules to prohibit discrimination in rental transactions and advertisements for rental transactions based on source of income or participation in housing assistance programs.

The HCRC has offered testimony during this session in support of S.B. No. 2399 and S.B. No. 206, both of which would prohibit housing discrimination based on source of income. S.B. No. 206, H.D.1, is still alive, albeit in a problematic H.D.1 that is weaker than earlier versions, and has been referred to the House Committee on Finance. The legislature has taken up similar bills year after year, dating back to the 2009 Session. Remarkably, over time these bills have

gained traction and support, as other jurisdictions have enacted similar laws.

With this backdrop, the legislature having considered and declined to pass numerous bills which would have established a statutory prohibition against discrimination in housing based on source of income, executive branch policies and rules that prohibit such discrimination on that basis would be invalid, beyond and outside the scope of statutory authority. See *Asato v*. *Procurement Policy Board*, 132 Hawai'i 333 (2014), 346-347. Sadly, the adoption of a well-intended resolution will not have force and effect of law.



# EXECUTIVE CHAMBERS HONOLULU

March 29, 2022

TO: The Honorable Senator Stanley Chang, Chair

Senate Committee on Housing

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

SUBJECT: SCR 162 / SR 154 – REQUESTING THE GOVERNOR TO ORDER EXECUTIVE

AGENCIES TO REVIEW AND REVISE THEIR POLICIES AND RULES TO PROHIBIT DISCRIMINATION IN RENTAL TRANSACTIONS AND ADVERTISEMENTS FOR RENTAL TRANSACTIONS BASED ON SOURCE OF INCOME OR PARTICIPATION

IN HOUSING ASSISTANCE PROGRAMS.

Hearing: Tuesday, March 29, 2022, 1:00 P.M.

VIA VIDEO CONFERENCE

Hawaii State Capitol, Conference Room 225

**POSITION**: The Governor's Coordinator on Homelessness appreciates the intent of these resolutions and respectfully offers comments.

<u>PURPOSE</u>: The purpose of these resolutions is to request the Governor to order executive agencies to review and revise their policies and rules to prohibit discrimination in rental transactions and advertisements for rental transactions based on source of income or participation in housing assistance programs.

The passage of a law to provide Source of income discrimination protections for renters is a priority of the Hawaii Interagency Council on Homelessness (HICH) for the 2022 legislative session. During the ongoing COVID-19 pandemic, reluctance to rent to clients in housing assistance programs has adversely impacted the utilization of new federal resources, such as U.S. Department of Housing and Urban Development Emergency Housing Vouchers (EHVs) and U.S. Department of Treasury Emergency Rental Assistance (ERA).

For example, per a <u>February 2022 article in the Honolulu Star-Advertiser</u>, the number of unused Section 8 vouchers issued by the Hawaii Public Housing Authority (HPHA) increased

from only 10 in 2017 to 68 in 2021. With limited search periods to lease up with a voucher of normally 60- or 90-days, refusal to accept a housing voucher results in individuals losing their rental assistance and prolongs situations of housing insecurity and homelessness.

Strong source of income discrimination protections will address a key barrier to housing for many low-income and homeless individuals and families throughout the state, such as former foster youth, single mothers with minor children, veterans, individuals fleeing domestic violence, and the elderly. 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 the source of income, including housing vouchers.

Data from other communities demonstrate that housing voucher utilization increases when source of income discrimination or housing voucher discrimination policies are formally adopted. For example, a 2011 U.S. Department of Housing and Urban Development policy brief, *The Impact of Source of Income Laws on Voucher Utilization and Locational Outcomes*, found voucher utilization rates increased by between 4 to 11% in communities with source of income discrimination policies compared to communities that did not have these policies. A more recent 2018 study by the Urban Institute found dramatically lower rates of discrimination against households receiving housing choice vouchers in two areas – New Jersey and Washington, D.C. – that have strong source of income protections.<sup>1</sup> The Coordinator notes that a statutory change may be required to achieve the same level of protections as these other communities.

Thank you for the opportunity to testify on this measure.

<sup>&</sup>lt;sup>1</sup> Report available at: <a href="https://www.urban.org/research/publication/pilot-study-landlord-acceptance-housing-choice-vouchers">https://www.urban.org/research/publication/pilot-study-landlord-acceptance-housing-choice-vouchers</a>

## **SCR-162**

Submitted on: 3/24/2022 6:21:21 PM

Testimony for HOU on 3/29/2022 1:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	<b>Testify</b>
Nikos Leverenz	Individual	Comments	Written Testimony Only

#### Comments:

Chair Chang, Vice Chair Kanuha, and Housing Committee Members:

Less than two months ago, the Hawaii Interagency Council on Homelessness issued a Policy Brief on "Rental Housing Assistance Discrimination." It recommends: "Hawaii would benefit from joining other states and localities in legally protecting households against discrimination based on their rental assistance."

Unfortunately, this pronouncement has not been matched by a concomitant commitment from the Legislature to address a longstanding problem. There have been bills in each chamber this session addressing the subject of rental housing discrimination. However, these bills no longer appear to be viable legislative vehicles.

Passing needed changes to Hawaii statutory law--including the establishment of prohibited practices, clear penalties, and allowance for the recovery of attorney's fees--is the clearest course for reducing discriminatory practices that impede access to safe and stable permanent supportive housing by those receiving government assistance.

More cogitation and extended exercises in theoretical discernment are not needed at this juncture.

Mahalo for the opportunity to provide testimony.

# DAVID W.H. CHEE

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March 20, 2022

HOUSING Sen. Stanley Chang, Chair Sen. Dru Mamo Kanuha, Vice Chair

Re: <u>SCR162</u>

## Dear Senators:

I am an attorney who has practiced landlord-tenant law for 29 years. As such, I have a perspective on landlord/tenant relationships that is informed by years of observing what does, and what does not, cause successful landlord/tenant relationships.

Foremost among the factors that make landlord/tenant relationships successful is the desire to be in the relationship. Like any other relationship, landlords and tenants both evaluate what the other brings to the relationship.

From a housing provider's perspective, the source of income is important because it provides information regarding the renter. A prospective tenant who has a long history of uninterrupted work is generally a better prospect than someone who borrows money from friends and family to get by.

Source of income also tells you something about the person. For example, if a prospective tenant's source of income is as the Executive Director of the Hawaii Chapter of the Proud Boys, that tells you much about the person's character. Housing providers should not be required to overlook this information. So, blanket prohibitions against considering source of income is a very blunt and imprecise method of dealing with the issue of getting more landlords to accept Section 8 tenants.

On that topic, the legislature is approaching Hawaii's housing problems as if it can be solved by requiring housing providers to make more of the available housing available to economically disadvantaged persons. The problem with this approach is that there is a shortage of housing across the spectrum. The stock of rental housing is not growing in any significant way. By requiring housing providers to prioritize lower income renters, everyone else will need to compete over what's left. This will have the effect of raising rents AND forcing those who do not qualify for Section 8 but who cannot find affordable housing in Hawaii to move away. You are literally taking homes away from Hawaii's middle class.

The only real solution to Hawaii's housing shortage is more housing. If you make laws that increase the rental housing stock, then everyone in Hawaii will have an easier time finding a place to rent. You could, for example, pass laws to allow for dense rental developments in the urban core of Honolulu, or allow for the use of what is now virtually vacant and unused agricultural land for rental properties. You could provide more tax incentives to develop more rental properties where they are needed. There are many solutions, but simply re-prioritizing who gets housing does not solve the real problem – we need more housing.

Please re-consider your priorities. Rather than helping only one segment of our population, please help everyone.

HOUSING Sen. Stanley Chang, Chair Sen. Dru Mamo Kanuha, Vice Chair March 28, 2022 Page 2

Please let me know if you have any questions.

Very truly yours,

/s/ David Chee

David W.H. Chee

FOR: SCR No. 162 <u>REQUESTING THE GOVERNOR TO ORDER EXECUTIVE AGENCIES</u> <u>TO REVIEW AND REVISE THEIR POLICIES AND RULES TO PROHIBIT</u> <u>DISCRIMINATION IN RENTAL TRANSACTIONS AND ADVERTISEMENTS FOR</u> <u>RENTAL TRANSACTIONS BASED ON SOURCE OF INCOME OR PARTICIPATION IN</u> HOUSING ASSISTANCE PROGRAMS.

DATE: March 29, 2022

TIME: 1:00PM

**COMMITTEE:** Senate Committee on Housing

Dear Chair Stanley Change, Vice Chair Dru Mamo Kanuha and the rest of the Senate Committee on Housing, my name is Hannah Kaina and I am a Masters of Social Work student at the University of Hawaii Manoa. Thank you for the opportunity to provide testimony on SCR 162 and allowing the chance to express my **STRONG SUPPORT** for this bill. With the current situation that the COVID-19 Pandemic has created regarding its negative effects on the economy and job preservation, paying bills such as rent, is a very difficult task for many families in the State of Hawaii. From my own experience with working with individuals and families looking for services, rental assistance and housing was a request that was made often. Through my research when helping clients, resources in the form of rental assistance have been provided for individuals and families to utilize, **ONLY** if hardship can be proven due to the pandemic. This requirement makes access to these resources very limited thus, families are forced to look elsewhere, such as, applying for Section 8. Now if the individual or family is approved for Section 8, they now must overcome another obstacle pertaining to the evident discrimination seen in rental availability ads proclaiming, "no Section 8 accepted" or "Section 8 need not apply." Working with these populations, I can see a disconnect between those who need housing and those who have space available. I STRONGLY SUPPORT the approval of this bill to start the process of closing the gap between the demand for housing by Section 8 applicants and the rentals available for occupancy. Thank you again Chair Stanley Change, Vice Chair Dru Mamo Kanuha and the rest of the Senate Committee on Housing for allowing the time to express my **STRONG SUPPORT** for this bill.

Hannah Kaina, MSW Student University of Hawaii Manoa