

HAWAI'I CIVIL RIGHTS COMMISSION

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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.

PURPOSE: 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, <u>The Impact of Source of Income Laws on Voucher Utilization and Locational</u> <u>Outcomes</u>, 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 <u>2018 study by the Urban Institute</u> 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.¹ 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.

¹ Report available at: <u>https://www.urban.org/research/publication/pilot-study-landlord-acceptance-housing-choice-vouchers</u>