



**LATE**

**EXECUTIVE CHAMBERS**  
HONOLULU

**DAVID Y. IGE**  
GOVERNOR

February 2, 2017

**TO:** The Honorable Representative Ken Ito, Chair  
House Committee on Veterans, Military, & International Affairs, & Culture and  
the Arts

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

**SUBJECT: HB1529 – RELATING TO HOUSING**

Hearing: Thursday, February 2, 2017, 9:30 a.m.  
Conference Room 429, State Capitol

**POSITION:** The Governor's Coordinator on Homelessness appreciates the intent of this measure and offers comments. The State has made significant progress in its efforts to end veteran homelessness. The HUD-Veterans Affairs Supportive Housing (HUD-VASH) vouchers have been a critical tool in reducing the number of homeless veterans. Between 2015 and 2016, the number of homeless veterans on Oahu decreased by 11%.

The Coordinator defers to the Hawaii Civil Rights Commission on the merits of the bill and the U.S. Department of Housing and Urban Development (HUD) regarding the protections already provided by the Fair Housing Act that protects people from discrimination when they are renting, buying, or securing financing for any housing. The Fair Housing Act prohibitions specifically cover discrimination because of race, color, national origin, religion, sex, disability and the presence of children.

**PURPOSE:** The purpose of the bill is to prohibit discrimination in the rental of real property based on a veteran's use of HUD-VASH vouchers. The bill adds four new sections to the landlord-tenant code enumerating prohibited discriminatory practices for veterans who uses a housing assistance voucher.

The HUD-VASH program is a form of permanent supportive housing, which pairs an ongoing rental housing subsidy together with supportive case management services. The HUD-VASH program is similar to the state Housing First program and primarily addresses the needs of chronically homeless individuals who require assistance to remain in housing due to a mental health, substance abuse, and or chronic illness.

Although HUD-VASH provides assistance with rent, some homeless veterans may face discrimination from landlords who are reluctant to rent to a person who is issued a “voucher” for rental assistance. According to feedback from service providers, a landlord may identify a veteran with a “voucher” as someone who is low-income or experiencing homelessness, and may be reluctant to rent to the individual as a result. Anecdotally, homeless participants in the state Housing First program and Section 8 Housing Choice Voucher program have reported similar challenges with certain landlords being reluctant to rent to a tenant with a “voucher.”

Despite potential discrimination from landlords, the HUD-VASH program has been a critical tool in addressing veteran homelessness. With the assistance of HUD-VASH and other similar programs, the number of homeless veterans on Oahu has decreased by 11% (54%) between 2015 and 2016.

Thank you for the opportunity to testify on this bill.

STATE OF HAWAII  
DEPARTMENT OF DEFENSE

TESTIMONY ON HOUSE BILL 1529, RELATING TO HOUSING

PRESENTATION TO THE

COMMITTEE ON VETERANS, MILITARY, & INTERNATIONAL AFFAIRS, & CULTURE  
AND THE ARTS

BY

MR. RONALD P. HAN  
DIRECTOR OF STATE OFFICE OF VETERANS SERVICES

February 02, 2017  
9:30 a.m.

Good morning, Chair Ito, Vice Chair Tokioka, and members of the Committee:

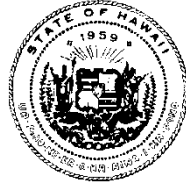
I'm Ron Han, Director of the State Office of Veterans Services. I appreciate this opportunity to provide testimony **in support** of the concepts in House Bill 1529.

This measure prohibits discrimination in the rental of real property based on use of HUD-VASH vouchers to support our Veterans in need of shelter and services.

The OVS supports the concepts and intent expressed in this measure as long as its implementation does not impact or replace the priorities set forth in the Executive Budget.

Thank you for this opportunity to provide testimony on behalf of Hawaii's Veterans and their families.

DAVID Y. IGE  
GOVERNOR



**LATE**

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

**HOUSE COMMITTEE ON VETERANS, MILITARY & INTERNATIONAL AFFAIRS,  
& CULTURE AND THE ARTS**

**Thursday, February 2, 2017  
9:30AM  
Room 429, Hawaii State Capitol**

In consideration of  
**HB 1529  
RELATING TO HOUSING**

Honorable Chair Ito and Members of the House Committee on Veterans, Military & International Affairs, & Culture and the Arts, thank you for the opportunity to provide testimony concerning House Bill 1529, relating to the Hawaii Public Housing Authority.

The Hawaii Public Housing Authority (HPHA) is in support of HB 1529, which prohibits discrimination in the rental of real property based on a veteran's use of HUD-VASH vouchers.

Throughout the State, thousands are competing to find homes amidst an affordable housing crisis. This is especially true for veterans, who often return to Hawaii in need of assistance and resources. HUD-VASH vouchers provide veterans an opportunity to find affordable housing, with HPHA as the leader in Hawaii for housing veterans. Currently, there are 429 veterans with VASH vouchers. In addition, 60 are voucher holders are in search of housing, with many searching many months. The proposed bill will assist in expediting the placement process for veterans trying to secure suitable housing.

The HPHA appreciates the opportunity to provide the House Committee on Veterans, Military & International Affairs, & Culture and the Arts with the HPHA's comments regarding HB 1529. We thank you very much for your dedicated support.

February 2, 2017

**The Honorable Ken Ito, Chair**

House Committee on Veterans, Military & International Affairs, & Culture and the Arts  
State Capitol, Room 429  
Honolulu, Hawaii 96813

**RE: H.B. 1529, Relating to Housing**

**HEARING: Thursday, February 2, 2017, at 9:30 a.m.**

Aloha Chair Ito, Vice Chair Tokioka, and Members of the Committee:

I am Myoung Oh, Government Affairs Director, here to testify on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i, and its 8,300 members. HAR **opposes** H.B. 1529 which prohibits discrimination in the rental of real property based on a veteran's use of a housing assistance voucher pursuant to the United States Department of Housing and Urban Development and Department of Veterans Affairs supportive housing (HUD-VASH) vouchers.

This measure makes it a discriminatory practice under the Landlord-Tenant Code, similar to Hawaii's Fair Housing law (Hawai'i Revised Statutes Chapter 515), to engage in a broad list of discriminatory practices based on a veteran's use of HUD-VASH vouchers. Provisions under HRS Chapter 515 apply to appraisals, mortgages, mortgage lending, real estate contracts, inspection, and real estate services.

HAR is concerned that this measure proposes to add a specific prohibition against discrimination based on a veteran's use of HUD-VASH vouchers to the Landlord-Tenant code, despite the existence of Chapter 515 which already protects against other discriminatory practices under Hawaii's fair housing law. This measure also essentially equates it to the level of a "protected class" under Hawaii's fair housing law.

HAR believes that government subsidized programs, such as Section 8, are an important part of our community's social safety net. However, imposing this requirement on all landlords and property managers, even those outside of the Section 8 program, undermines their ability to perform basic responsibilities set forth in the Landlord-Tenant code.



When you compare the procedure for renting a unit to a non-Section 8 tenant, to a Section 8 tenant, the added cost, time, and liability exposure can be seen. If both tenants review the property, and submit applications on the same day, the following is an example of the additional time and complexity a Section 8 tenant adds to the process.


If a non-Section 8 tenant's application is cleared and accepted, the tenant is contacted and a meeting is scheduled to sign the rental agreement, conduct the inspection of the unit and for the tenant to pay the prorated rent and security deposit. The landlord then has a rent paying tenant in the unit within days.

With a Section 8 tenant, the following process ensues, and it often takes 2 months or longer prior to the landlord receiving the first rental check:

1. The Section 8 tenant's application is cleared, and if accepted, the tenant is contacted and advised to bring the Section 8 paperwork to the office for completion;
2. The next day the tenant comes in and delivers the paperwork. The Landlord completes the rental agreement and Section 8 paperwork and the tenant submits it to Section 8;
3. Section 8 then processes the paper work which takes approximately one to two weeks;
4. Section 8 then contacts the Landlord to advise the Landlord of their acceptance and to schedule an inspection by a Section 8 inspector which takes 1 to 3 days before inspection takes place;
5. The inspector does the inspection and submits it to Section 8;
6. If there are no discrepancies found during the inspection, Section 8 advises the Landlord that the rental agreement is accepted and the tenant may be checked in the unit;
7. At the inspection and check-in the tenant pays the security deposit;
8. The tenant's rental agreement goes into effect after the property is inspected by the Section 8 inspector and when they are given occupancy;
9. The average Section 8 application usually takes a minimum of 12 days, and more often takes 18 to 24 days; and
10. In addition, the Landlord normally must wait from 30 to 45 days to receive the prorated rent and first months full rent from Section 8.



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While professional property managers may possess the experience and knowledge necessary to navigate safely through this process, this process is likely too complex, expensive and time-consuming for the average landlord. By prohibiting discrimination for veteran's use of HUD-VASH vouchers, all landlords and property managers would be unnecessarily exposed to potential liability for engaging in normal business practices.

Property managers who accept Section 8 housing applicants on a regular basis often express their frustration with the program's procedures and implementation. There is inconsistent application of paperwork requirements. Successful completion of forms may depend on which case worker is reviewing them and property inspection requirements are applied differently by different inspectors.

At times, defects are reported by the inspector and corrected by the landlord, only to have a different inspector sent to check on the corrections who finds others, not noted by the first inspector. These defects are sometimes as small as a dining room ceiling light hanging three inches too low or the space under a bedroom door being ¼ inch too high or louver cranks too hard to turn.

HAR further raises the issues of whether someone is engaged in a discriminatory practice against veteran's using a HUD-VASH voucher is very subjective and ambiguous. As a result, even the most diligent and scrupulous landlord could find himself or herself the subject of a fair housing complaint. In such cases, the difficult task of proving one's "innocence" and the time, expense and distraction associated with defending a discrimination claim can easily overwhelm the typical law abiding landlord.

For the foregoing reasons, we respectfully request that this committee hold this measure.

Mahalo for the opportunity to testify.



# Hawaii Disability Legal Services, LLC

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February 1, 2017

Committee on Veterans, Military, & International Affairs, & Culture and the Arts  
Testimony on H.B. 1529  
Relating to Housing

February 2, 2017, 9:30 a.m.  
Conference Room 429

## **STRONG SUPPORT**

Dear Chair Ito, Vice Chair Tokioka, and Members of the Committee:

My name is Diane C. Haar. I am a licensed attorney practicing in the State of Hawai`i. My practice is devoted to representing individuals with disabilities and their interests throughout the state. A significant portion of my practice is devoted to representing homeless, disabled veterans.

Thank you for hearing HB 1529, which prohibits discrimination against veterans based on the use of a housing assistance voucher issued by HUD VASH. As you have undoubtedly been made aware, the Department of Veterans Affairs (VA) has committed itself to ending homelessness among veterans. Part of this program is the issuance of HUD VASH vouchers to veterans who qualify so that they may be able to afford housing.

As you are also aware, this is a needed and cost-saving program for Hawaii where we have a very high rate of homelessness.

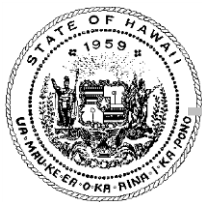
I represent disabled veterans and spend time talking to additional veterans in our various homeless shelters throughout the state. I have long been aware of this problem of discrimination, wherein a veteran has a voucher, but is undergoing tremendous difficulty finding a landlord who will rent to him or her despite the ability to pay.

Allowing discrimination to occur against veterans who seek to use a HUD VASH voucher defeats VA's goal, but also our goal in Hawaii to work toward ending homelessness. Where the veteran is disabled and can no longer work, particularly due to his service, this discrimination is particularly troublesome.

Of course assisting these veterans in using HUD VASH vouchers also assists our taxpayers in defraying some of the housing costs for these veterans. This in turn allows our state to allocate our tax dollars to other pressing needs of importance to us.

Your consideration of these amendments is greatly appreciated. Thank you for the opportunity to testify on this important matter.





# HAWAI‘I CIVIL RIGHTS COMMISSION

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

February 2, 2017  
Rm. 429, 9:30 a.m.

To: The Honorable Ken Ito, Chair  
Members of the House Committee on Labor & Public Employment

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

Re: H.B. No. 1529

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.

**The HCRC supports the intent of H.B. No. 1529.**

H.B. No. H.B. No. 1529, if enacted, will prohibit discrimination in housing rentals based on a veteran’s use of a housing assistance voucher issued by the U.S. Department of Housing and Urban Development and Department of Veterans Affairs supportive housing (HUD-VASH) program. The bill amends the Landlord-Tenant Code (HRS Chapter 521) to add this protection for veterans seeking rental housing.

The HCRC supports the intent of H.B. No. 1529.

**LATE**

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|--------------|--------------------|--------------------|
| Jay King     | Individual   | Comments Only      | No                 |

I am writing in support of House Bill 1529 which prohibits discrimination in the rental of real property based on a veteran's use of HUD-VASH vouchers.

Discrimination against a disabled or handicapped person includes "refusal to make reasonable accommodations in rules, policies, practices, or services, when accommodations may be necessary to afford such person equal opportunity to use and enjoy the dwelling."

For purposes of policy background, VA guidelines direct that HUD/VASH vouchers are awarded solely to chronically homeless veterans. In direct correlation, the federal definition of chronically homeless includes a person with a disability.

As such..... not to accept the application of a disabled veteran supported with a HUD/VASH voucher is housing discrimination against the disabled. This includes the common discrimination in placement of rental adds, "No Section 8". HUDVASH vouchers are Section 8 vouchers.

Under Federal Law, "A reasonable accommodation is a change in a rule, policy, or practice, or service that may be necessary to allow a person with a disability the equal opportunity to use and enjoy a dwelling." Failure to provide a necessary reasonable accommodation may constitute discrimination. Not to accept a HUD/VASH voucher is to not allow a veteran with a disability with the equal opportunity to use and enjoy a dwelling.

The Fair Housing Act was enacted, "to provide, within constitutional limitations, for fair housing throughout the United States." The original 1968 act prohibited discrimination on the basis of "race, color, religion, or national origin" in the sale or rental of housing. To prohibit acceptance of a voucher for a disabled veteran in the rental of a unit is discrimination.

In 1988 the act was amended to prohibit discrimination on the additional grounds of physical and mental handicap. The act defines "handicap" as "(1) a physical or mental impairment which substantially limits one or more of such person's major life activities, (2) a record of having such an impairment, or (3) being regarded as having such an impairment. What protects the disabled veteran with a physical or mental handicap as a result of his sacrifice to his or her country? It is the fair housing rights for our nations veterans.

HUD regulations elaborate upon types of housing practices in which discrimination is prohibited to include: failing to accept or consider a bona fide offer, refusing to rent a dwelling, using different qualifications criteria, other conduct which makes dwellings unavailable to persons, advertising or publishing notices with regard to the selling or renting which convey that dwellings are unavailable to a particular group of persons. Not to accept an offer of a HUD/VASH voucher from a disabled veteran is a failure to accept or consider a bona fide offer. Please remember the advertisement of "No Section 8", is

prohibiting the dwelling of a particular group of persons: the homeless disable veteran with a Section 8 voucher to provide for his disability.

A growing number of cases have considered whether a landlord may be required to accept a Section 8 Voucher as a reasonable accommodation to a person's disability. This has been contentious where the requested accommodation helps alleviate the economic consequences of a disability that prevent the tenant from enjoying full and equal access to the housing. However recent legal decisions demonstrate that courts recognize that such economic effects of a person's disability may be relieved by a reasonable accommodation.

- US Airways, Inc. v. Barnett: the Supreme Court recognized that "(1) accommodations are not limited to the immediate manifestations of a disability, but may also address the practical needs caused by a disability and (2) preferences may be necessary for the disabled who are otherwise similarly situated to non-disabled individuals
- Giebeler v. M&B Associates: the Ninth Circuit held that the FHAA requires a landlord to make reasonable accommodations for disabled tenants where the link between the accommodation and the disability is not physical, but economic. Applying the Supreme Court ruling of US Airways, Inc. v. Barnett , the Ninth Circuit reiterated that a reasonable accommodation need not stem directly from the disability but may "adjust for the practical impact of a disability", such as the inability to pay the rent from one's own income due to inability to work.
- Freeland v. Sisao LLC: U.S. District Court Eastern District of New York ruled Section 8 housing voucher acceptance may be a "Reasonable Accommodation" under the Fair Housing Amendments Act: 42 U.S. Code §§ 3601 et seq. The Court found that the FHAA could require a landlord to accept a disabled tenant's Section 8 Housing Choice Voucher subsidy, where the subsidy is necessary for the tenant to use and enjoy her apartment.

As the state of Hawaii pursues their commitment to prevent and end homelessness, there remains a legislative need to recognize Reasonable Accommodations for our homeless disabled veterans.

I ask that this committee recognize that which has been established through legislation and legal precedence: a disability accommodation in the form of acceptance the Section 8 voucher for veterans with disabilities, **MAY BE Considered a Reasonable Accommodation** when supported by official governmental agency verification of a disability. As such this reasonable accommodation must be provided as a legislated right for disabled veterans who have received a HUD/VAH voucher in recognition of the need of support for their disability.

Thank you for your consideration.

Jay King

Former Sergeant, United States Marine Corps

Disabled Veteran