

# HAWAI‘I CIVIL RIGHTS COMMISSION

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February 23, 2021  
Videoconference, 9:45 a.m.

To: The Honorable Karl Rhoads, Chair  
The Honorable Jarrett Keohokalole, Vice Chair  
Members of the Senate Committee on Judiciary

From: Liann Ebesugawa, Chair  
and Commissioners of the Hawai‘i Civil Rights Commission

Re: S.B. No. 36, S.D. 1

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.

**The HCRC supports S.B. No. 36, S.D.1**, which would amend the HRS to add a new chapter to prohibit housing discrimination against persons based on their source of income, including participation in a housing assistance program or requirements related to participation in a housing assistance program. While this new protection is different in kind from the protected bases under fair housing law, there is some correlation between the protected bases under federal and state fair housing law and those who receive rental assistance and other sources of income from government programs – many are people living with disabilities, families with children, single female heads of household, and members of racial minority groups.

In recent years a number of states and municipalities have enacted laws prohibiting discrimination in housing based on lawful source of income, including Section 8 vouchers as a source of income. Courts have held that these state and local laws are not preempted by federal Section 8 law (which states that participation in the Section 8 program is voluntary), and that the burden of participating in the Section 8 program is not onerous.

As the COVID-19 pandemic continues, the economic repercussions affect income and housing. In this crisis, it is even more important to prohibit discrimination based on source of income.

**HCRC has both supported and raised concerns about similar bills in the past, and this bill addresses those concerns. S.B. 36, S.D.1, places the new prohibited practice in a new chapter of the HRS, with enforcement through direct civil action and provision for appropriate remedies. This addresses concerns raised by the HCRC in 2019 on a similar bill.**

The S.D.1 also: clarifies the definitions of “Housing assistance program” and “source of income;” adds the contents of S.B. No. 53 to this bill to address concerns raised by the HPHA; clarifies that the new protection prohibits an owner or other person to expel or otherwise refuse to continue to rent to a current tenant based on their participation in a housing assistance program; increases the penalty for a violation from a fine not to exceed \$5000; provides for an appropriation of \$100,000 for a landlord incentive program special fund; and amends section 1 of the bill to include a paragraph explaining how Section 8 housing discrimination is also a proxy for discrimination against women. **None of these changes in the S.D.1 alters the HCRC’s support for the bill.**

**The HCRC supports S.B. No. 36, S.D.1.**

DAVID Y. IGE  
GOVERNOR



CRAIG K. HIRAI  
DIRECTOR

ROBERT YU  
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
OFFICE OF THE PUBLIC DEFENDER

**STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE**

P.O. BOX 150  
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ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND  
MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

**WRITTEN ONLY**  
TESTIMONY BY CRAIG K. HIRAI  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE SENATE COMMITTEE ON JUDICIARY  
ON  
SENATE BILL NO. 36, S.D. 1

**February 23, 2021  
9:45 a.m.  
Via Videoconference**

**RELATING TO RENTAL DISCRIMINATION**

The Department of Budget and Finance (B&F) offers comments on Senate Bill (S.B.) No. 36, S.D. 1.

S.B. No. 36, S.D. 1: prohibits certain discriminatory practices in the rent or sale of real property as related to the potential renter or buyer's participation in a housing assistance program and sets remedies for such violations; establishes the Landlord Incentive Program Special Fund (LIPSF) to be administered by the Hawai'i Public Housing Authority to reimburse land owners who participate in the Section 8 Housing Choice Voucher Program for repair costs of tenant-caused property damage when repair costs exceed the tenant's security deposit; appropriates \$100,000 in general funds and special funds in FY 22 and FY 23 to be deposited into and expended out of the LIPSF, respectively; and requires the Hawai'i Civil Rights Commission to produce materials on and publicize the prohibition of the discriminatory practices.

B&F supports the intent to improve the situation of those who participate in a housing assistance program, but it prefers the language in Administration

Proposal HMS-09(21) (S.B. No. 1135), as amended by S.D. 1. As a matter of general policy, B&F does not support the creation of any special fund which does not meet the requirements of Section 37-52.3, HRS. Special funds should: 1) serve a need as demonstrated by the purpose, scope of work and an explanation why the program cannot be implemented successfully under the general fund appropriation process; 2) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries or a clear link between the program and the sources of revenue; 3) provide an appropriate means of financing for the program or activity; and 4) demonstrate the capacity to be financially self-sustaining. Regarding S.B. No. 36, S.D. 1, there does not appear to be any significant source of revenues to support the LIPSF aside from appropriations from the general fund.

Thank you for your consideration of our comments.



**SB36 SD1**  
RELATING TO RENTAL DISCRIMINATION  
Ke Kōmike ‘Aha Kenekoa o ka Ho‘okolokolo

Pepeluali 23, 2021

9:45 a.m.

Hālāwai Keleka‘a‘ike

The Office of Hawaiian Affairs (OHA) Beneficiary Advocacy and Empowerment Committee will recommend that the Board of Trustees offer the following **COMMENTS** on SB36 SD1, which seeks to prohibit landlords from discriminating against potential tenants who receive rental assistance, such as Section 8 housing vouchers. OHA appreciates that the proposed prohibition against discrimination may increase access to housing for Native Hawaiians and others receiving governmental housing support, while enhancing the effectiveness of governmental investments in housing security for low-income residents – thereby mitigating the COVID-19 pandemic’s impacts on our economy and affordable housing crisis.

**Landlords often discriminate against potential tenants who participate in rental assistance programs.** Studies have found that landlords are more likely to discriminate against, and deny housing to, people with rental assistance vouchers.<sup>1</sup> Anecdotally, housing listing sites such as Craigslist are rife with examples of landlords who explicitly seek to prevent Section 8 voucher holders from even submitting a rental application. **Such discriminatory practices significantly limit housing opportunities for those who receive rental housing support, and further limit the impact of government investments in housing security for low-income individuals and families.**

**In contrast, studies have shown that individuals who rely on rental assistance vouchers are more likely to succeed in leasing a unit when they live in areas with voucher non-discrimination protections.** A recent large-scale, multi-site HUD study that examined landlord acceptance rates of vouchers as a way to measure differential treatment found a lower rate of voucher denial in jurisdictions with voucher non-discrimination protections.<sup>2</sup> Another study found that the probability of successfully using a voucher was more likely in jurisdictions with an anti-discrimination law such as that proposed in this bill.<sup>3</sup> **With anti-discrimination protections in place, people who receive housing assistance will be more likely to find stable housing, thereby increasing the**

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<sup>1</sup> U.S. DEP’T OF HOUSING AND URBAN DEVELOPMENT, A PILOT STUDY OF LANDLORD ACCEPTANCE OF HOUSING CHOICE VOUCHERS 69 (2018).

<sup>2</sup> *Id.* at 66 (2018).

<sup>3</sup> See Lance Freeman, *The Impact of Source of Income Laws on Voucher Utilization*, 22 HOUSING POL’Y DEBATE 297 (2012) available at <https://www.tandfonline.com/doi/abs/10.1080/10511482.2011.648210>.

**impact of governmental investments in housing security, and better enabling recipients of housing assistance to achieve eventual financial self-sufficiency.**

**OHA notes that Native Hawaiians may particularly benefit from the discrimination protections proposed by this measure.** A recent study prepared for the Hawai'i Housing Finance and Development Corporation found that Native Hawaiians receive more rental assistance compared to non-Native Hawaiians.<sup>4</sup> By creating a statutory prohibition against discrimination based on rental assistance, Native Hawaiians and other marginalized individuals and families would likely receive greater access to stable housing, which is increasingly vital in light of COVID-19's likely economic impacts to the Native Hawaiian community.<sup>5</sup>

Stable and affordable housing is necessary for struggling individuals to attain better health, access education, and apply to better job opportunities. By increasing the likelihood of obtaining the housing they need and are qualified for, this measure may help to ensure better lifestyle outcomes for Native Hawaiians and other marginalized people, especially those experiencing poverty.

Mahalo nui for the opportunity to testify.

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<sup>4</sup> SMS MARKETING RESEARCH & MARKETING SERVICES INC., HAWAII HOUSING PLANNING STUDY, 2019 74 (2019) available at [https://dbedt.hawaii.gov/hhfdc/files/2020/01/FINAL-State\\_Hawaii-Housing-Planning-Study.pdf](https://dbedt.hawaii.gov/hhfdc/files/2020/01/FINAL-State_Hawaii-Housing-Planning-Study.pdf).

<sup>5</sup> See Office of HAWAIIAN AFFAIRS, ISSUE BRIEF: COVID-19 AND NATIVE HAWAIIAN COMMUNITIES: NATIVE HAWAIIANS OVER-REPRESENTED IN COVID-19 AT-RISK POPULATIONS 2-3 (2020).



## CATHOLIC CHARITIES HAWAII

### **TESTIMONY IN SUPPORT OF SB 36, SD1: RELATING TO RENTAL DISCRIMINATION**

**TO:** Senate Committee on Judiciary  
**FROM:** Rob Van Tassell, President and CEO, Catholic Charities Hawai'i  
**Hearing:** **Tuesday, 2/23/21; 9:45 am; via videoconference**

Chair Rhoads, Vice Chair Keohokalole, and Members, Committee on Judiciary:

Thank you for the opportunity to provide testimony **in support of SB 36, SD1**, which prohibits discrimination based on participation in a housing assistance program. I am Rob Van Tassell, with Catholic Charities Hawai'i. We are also a member of Partners in Care (PIC). **This bill is a critical start to enabling Hawaii residents to have a fair chance to obtain very affordable long-term housing.**

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai'i for over 70 years. CCH has programs serving elders, children, families, homeless, and immigrants. Our mission is to provide services and advocacy for the most vulnerable in Hawai'i. Catholic Charities Hawai'i has a long history of working in the areas of affordable housing and homelessness.

Catholic Charities Hawai'i helps many struggling families, elders, veterans and people who are homeless to find housing. When our clients obtain a Section 8 voucher is it like winning the lottery! Finally, they have hope to live in housing where they only have to pay 30% of their income on rent. Now they would have enough money for food, or medications, or helping their children to be educated and live a stable live. Unfortunately, many landlords will not accept Section 8 or other forms of subsidy which pay the landlord a monthly stipend. Not only are these tenants hit by the lack of affordable rentals, now they are told they cannot use the rental subsidy which could give them safe and decent housing.

We urge your committee to put renters who participate in a rental assistance program on the same footing as other rental applicants. This bill can also have a direct impact on single parents, especially the many lower income women with children. Source of income discrimination is sometimes a veiled form of sex and family/children discrimination. The landlord incentives in the bill remove one barrier which some landlords cite for not participating in Section 8.

This bill is especially critical now since **President Biden's initiatives include appropriating \$28 Billion for 500,000 long term vouchers.** Hawai'i residents must not be shut off from these extremely valuable resources if approved by Congress.

We urge your support for this bill which is so critical to help house our vulnerable populations, such as elders, single moms and their children, and people facing homelessness.

Please contact our Legislative Liaison, Betty Lou Larson at (808) 373-0356 or [bettylou.larson@catholiccharitieshawaii.org](mailto:bettylou.larson@catholiccharitieshawaii.org) if you have any questions.



CLARENCE T. C. CHING CAMPUS • 1822 Ke'eaumoku Street, Honolulu, HI 96822  
Phone (808) 373-0356 • [bettylou.larson@CatholicCharitiesHawaii.org](mailto:bettylou.larson@CatholicCharitiesHawaii.org)





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Because every child deserves a home.

February 19, 2021

TO: The Honorable Senator Stanley Chang, Chair Senate Committee on Housing

FROM: Samantha Church, MSW, Executive Director, Family Promise of Hawaii

SUBJECT: SB 36 – RELATING TO RENTAL DISCRIMINATION

Thank you for the opportunity to provide testimony in **support of SB 36**, which would prohibit discrimination against tenants based on the tenants' source of income.

Since 2006, Family Promise of Hawaii has provided direct services to help homeless and low-income families on Oahu transition from housing instability to permanent, stable housing. While it has always been difficult for low-income households to secure safe, stable housing, the pandemic has exacerbated the issue. Since March 2020 we have experienced a 400% increase in requests for housing assistance. While we offer emergency shelter and housing subsidy programs to help provide an immediate safety net for families, the need for these services far outweighs the available support. Additionally, even when a housing subsidy becomes available for a family, it is often difficult to find landlords who are willing to accept them, so households end up spending an extended period of time experiencing homelessness. We know that the longer a household is homeless, the poorer the outcomes are for the family. Additionally, the longer a household is homeless the more it ends up costing our homeless service system.

We support this bill as it will allow families with access to housing subsidies such as Section 8, Rapid Rehousing (RRH), and Permanent Supportive Housing (PSH) to quickly transition from homelessness to stable housing. The quicker we are able to help families transition out of homelessness through these subsidy programs, the better the outcomes are for low-income families and the community.

Thank you for the opportunity to testify.



February 23, 2021

**The Honorable Karl Rhoads, Chair**

Senate Committee on Judiciary

Via Videoconference

**RE: Senate Bill 36, SD1, Relating to Rental Discrimination**

**HEARING: Tuesday, February 23, 2021, at 9:45 a.m.**

Aloha Chair Rhoads, Vice Chair Keohokalole, and Members of the Committee,

I am Ken Hiraki, Director of Government Affairs, testifying on behalf of the Hawai'i Association of REALTORS® (“HAR”), the voice of real estate in Hawai'i, and its over 10,000 members. HAR **opposes** Senate Bill 36, SD1, which 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.

HAR believes that government subsidized housing assistance programs, such as Section 8, are an important part of our community's social safety net. However, the section 8 process mandates additional paperwork, inspections and processes, which is not required by other applicants. As a result, housing providers participating in section 8 often forfeit their first month's rent in addition to having to wait 3 months or longer for a subsequent rental check. While property managers may possess the experience and knowledge necessary to navigate safely through this process, it may be too complex, expensive and time consuming for the average housing provider.

Additionally, the issue of whether a property owner is engaged in a discriminatory practice, simply by not choosing to participate in a housing assistance program, becomes subjective and ambiguous. As a result, even the most diligent property owner could find himself or herself the subject of a discrimination complaint.

HAR believes that it is not a good practice to make government assistance housing programs, which are optional to participate in, to be considered a discriminatory practice. Instead, we should focus on providing incentives or removing barriers to encourage property owners to participate in these valuable programs.

Mahalo for the opportunity to testify.

# PARTNERS IN CARE

*Oahu's Continuum of Care*

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*Our mission is to eliminate homelessness through open and inclusive participation and the coordination of integrated responses.*

## TESTIMONY IN SUPPORT OF SB36 SD1 Relating to Rental Discrimination

TO: Senate Committee on Judiciary  
FROM: Partners In Care (PIC)  
Hearing: Tuesday, 2/23/21; 9:45am; via videoconference  
Position: **Strong Support**

Chair Rhoads, Vice Chair Keohokalole, and Members of the Senate Committee on Judiciary:

Partner In Care, Oahu's Continuum of Care, stands in **Strong Support of SB36, SD1, Relating to Rental Discrimination**. This bill represents an opportunity to strengthen our ability to provide housing stability for local people and keep people housed during the pandemic. With 43% of our state households being renters, there is always the possibility of discrimination against those who can least afford housing in our community. Oftentimes, our service providers have found that illegal discrimination based on race or gender is disguised by landlords refusing to accept governmental assistance or rental vouchers. Senate Bill 36 proposes a way for individuals to lessen the possibility of tenant discrimination by no longer allowing landlords to deny tenants simply because some of their rent may be paid by a voucher. Safeguards such as SB36 will enable renters with government assistance to not be locked out of housing in Hawaii by requiring landlords to actually evaluate tenants rather than outright refusals to accept vouchers. Honolulu remains one of the largest metropolitan areas in the United States that does not have a state or local prohibition on this practice, which may inadvertently be contributing to our high levels of housing insecurity, as landlords self-select tenants based on stereotypes of those receiving governmental assistance rather than on ability to pay. Our providers face barriers to placing individuals in permanent housing that other jurisdictions have removed. During the Covid pandemic, government subsidized housing assistance continued to be paid to landlords despite an eviction moratorium in place. For many landlords, tenants who possessed vouchers such as Section 8 and Housing First Vouchers were the only tenants still paying their rent. Our renters are an important part of our economy and many landlords have been able to stay in business because of these continuous payments over the last year. We cannot allow discrimination to lock out our most vulnerable of residents. While there is always room to improve assistance provided to Landlords, these guidelines should be the norm, not the exception when units are made available to the public. This bill allows landlords to evaluate tenants, while providing tenants who feel they have been discriminated against a private right of action in court. As CARES Act funding continues to come into our State, the need for more housing will grow in the coming months. This is our opportunity to take care of our community and I thank this committee for hearing this measure and moving it forward.

Thank you for your consideration of this measure. Please do not hesitate to contact us if you have any questions. [Aloha](#)

[Aloha](#)

DRAFT

2/21/2021

State Senate Committee on Judiciary  
Hearing on Tuesday, 2/23/2021 9:45 a.m.  
Senator Karl Rhoads, Chair  
Senator Jarrett Keohokalole, Vice Chair

From: Connie Mitchell, MS, APRN  
Executive Director  
**IHS, The Institute for Human Services, Inc.**

Re: Testimony in Support of SB 36, SD 1, Relating to Rental Discrimination

IHS, The Institute for Human Services has been a critical safety net of our community for over 42 years. We provide a full spectrum of services to help those in our community experiencing homelessness to achieve housing and those who are on the precipice of homelessness to remain stably housed. **IHS stands in strong support of SB 36, SD 1.** This bill would finally address needless and inhumane discrimination occurring against tenants who participate in government housing assistance programs, such as Section 8.

We face dual crises of homelessness and lack of affordable housing in Hawaii, that leave many of our residents living on the streets in circumstances that threaten their mental and physical health. Section 8 housing assistance is a vital safety net for individuals who otherwise face homelessness. Section 8 vouchers help provide the critical financial assistance needed for tenants to find a home. These individuals have already been qualified under federal law to receive these financial benefits for the intended purpose of helping them secure housing for themselves and their family. When landlords discriminate against tenants (or tenant applicants) because of their use of Section 8 vouchers, this defeats the entire public policy behind this safety net program. SB 36, SD 1 would prohibit such discrimination.

At IHS, we provide a myriad of housing assistance services to individuals facing homelessness. We often contact potential landlords and others to help secure affordable housing for homeless individuals. In recent years, we have annually been able to help place hundreds of homeless individuals into rental housing or other permanent housing situations. While we celebrate each placement as a success, the sad truth is that there are many more individuals who are not able to obtain rental housing because, even though they could pay the rent with their Section 8 vouchers, many landlords refuse to rent to Section 8 beneficiaries. Our entire community suffers when this occurs: the individual who is homeless, the taxpayers who fund the Section 8 program, and the community that experiences higher levels of homelessness because we have failed to prohibit discrimination based on participation in government housing assistance programs.

This discrimination has a particularly cruel impact on women and children, as the majority of Section 8 beneficiaries are households headed by women. The adverse impact of such discrimination on these women and children threatens to carry into future generations, as it forces them to live on the streets or in other dangerous circumstances.

Please pass SB 36, SD1 and help our tenants in housing assistance programs to obtain a place to rent, as intended by people the hope and treatment they deserve and to which they have a right. You will be transforming many lives with your action.

Thank you for considering my testimony, offered on behalf of IHS and the many homeless mentally ill people we continue to serve and protect across our island.



## SB 36, SD 1, RELATING TO RENTAL DISCRIMINATION

FEBRUARY 23, 2021 · SENATE JUDICIARY  
COMMITTEE · CHAIR SEN. KARL RHOADS

**POSITION:** Support.

**RATIONALE:** Imua Alliance supports SB 36, SD 1, relating to rental discrimination, which 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 rental transactions and requirements and establishes 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.

Hawai'i is facing a looming eviction crisis. During COVID-19, unemployment skyrocketed to levels not seen since the Great Depression. A recent study found that our state is experiencing the slowest unemployment rate recovery in the nation, moreover, with our rate hovering at approximately 9 percent in December. Thousands of people who haven't lost their jobs have instead seen their employment hours and earnings slashed, as the economic downturn lingered throughout 2020 and into the new year.

Financial precarity has become the norm for many families, who are unable to pay their full rent and have accumulated rental debts. Currently, the state's eviction moratorium protects these families from being removed from their homes. Yet, the eviction moratorium will eventually expire as the public health emergency passes, leaving thousands of people at risk of losing their housing.

**Rental assistance discrimination will only make their plight worse as they try to navigate a path back to financial and housing security, especially for low-income families who already do or soon will be forced to rely on government assistance to survive.**

Today, **our state's ongoing lack of affordable housing exacerbates the economic insecurity suffered by local families, which sex traffickers use to prey upon potential victims with false promises of financial stability and prosperity.** Hawai'i residents face the highest housing costs in the nation, at more than twice the national average. Researchers who authored the National Low Income Housing Coalition's *Out of Reach 2020* report found that a full-time worker would need to earn \$38.76/hour to afford a two-bedroom apartment at fair market value in our state, with Honolulu experiencing a 67 percent increase in fair market rent between 2005 and 2015. Average rent for a two-bedroom unit surpassed \$2,000 in recent years, with minimum wage workers needing to log 117 hours per week to afford a modest one-bedroom apartment at fair market value and 153 hours per week to afford a two-bedroom—a number that is equivalent to working over 20 hours a day with no days off year-round. In the past five years alone, Honolulu rent has increased by more than 25 percent. While 42 percent of Hawai'i residents are renters (a number that does not include individuals and families renting outside of the regulated rental market), they earn an average wage of \$17.17/hour, according to NLIHC, scarcely enough to meet their basic needs.

One out of every four households in Hawai'i report that they are “doubling up” or are three paychecks or less away from being homeless, per the Hawai'i Appleseed Center for Law and Economic Justice. Additionally, over 60 percent of households are severely cost-burdened, following NLIHC data, meaning that they pay more than 30 percent of their income for housing costs, a number that rises to over 80 percent of extremely low-income households, with only 74 homes available for every 100 households earning 80 percent of their respective area's median income.

Unsurprisingly, our state is now experiencing population decline. Hawai'i saw domestic out-migration increase for a third consecutive year in 2019, as the state's high cost of living continued to push people to the mainland. Census estimates show that our state's population dropped by 8,866 people from July 2019 to July 2020, when births, deaths, and migration were accounted for.

That population drop is nearly double the loss seen in 201, when Hawai'i one of just ten states in the country to lose population, according to the U.S. Census Bureau. People are simply being priced out of paradise.

Without question, Hawai'i's lack of affordable housing exacerbates our state's homelessness crisis. In a recently released report, Chief Medical Examiner Dr. Masahiko Kobayashi said that 127 people who were considered homeless at the time of their deaths died on O'ahu in 2019, up from 120 deaths in 2018 and an increase of 46 percent from 2017 (87 deaths).

Furthermore, over 30 percent of juvenile arrests in Hawai'i are for running away from home, the highest proportion in the nation. Nationally, one in seven young people between the ages of 10 and 18 will run away. Approximately 75 percent of runaways are female, while 46 percent of runaway and homeless youth report being physically abused, 38 percent report being emotionally abused, and 17 percent report being forced into unwanted sexual activity by a family or household member, according to the National Conference of State Legislatures.

Roughly 30 percent of runaway children will be approached for sexual exploitation within 48 hours of being on the run, according to the National Center for Missing and Exploited Children, with over 80 percent being approached for the commercial sex trade during the course of their time on streets. A federal study found that an estimated 38,600 runaway youth have been sexually assaulted, in the company of someone known to be sexually abusive, or engaged in sexual activity in exchange for money, food, or shelter.

Runaways are perceived as easy targets for sex traffickers because they lack stable shelter, a supportive environment, and financial resources, placing them at greater risk of forced prostitution and sexual servitude. Traffickers exploit our limited number of available shelter beds to lure young people into exploitation. As the homeless childcare provider Covenant House observes, traffickers tell homeless youth that shelters are full and ask, "Where are you going to go? Why don't you come with me? I'll take care of you." Coupled with threats of and actual physical and sexual violence against the victims or their families, these coercive techniques compel runaway youth to remain enslaved.



LGBTQ youth, who comprise an estimated 40 percent of the runaway and homeless youth population in the United States, are exponentially more likely to fall prey to human traffickers because of discrimination, family and community trauma, and a longing for comfort and acceptance (an estimated 26 percent of LGBTQ adolescents are rejected by their families and put out of their homes simply for being open and honest about who they are). In providing care for victims of human trafficking, we have heard their stories hundreds of times.

We cannot continue to allow the islands to be used as a private Monopoly board for real estate speculators. To ensure that our islands are affordable for ourselves and future generations, we must take bold action **now** to increase our affordable housing supply for working families and ensure that low-income families who are participating in our state's rental market—and who are often Native Hawaiian, Micronesian, Pacific Islander, or other people of color—are not discriminated against simply for being poor.



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COMMITTEE ON JUDICIARY  
TUESDAY, 2/23/21, 9:45 AM, VIDEOCONFERENCE

SB36 SD1 RELATING TO RENTAL DISCRIMINATION  
**Bepie Shapiro**, Legislative Committee, League of Women Voters of Hawaii

Chair Rhoads, Vice-Chair Keohokalole, and Committee Members:

The League of Women Voters of Hawaii supports this bill, which prohibits discrimination based on participation in a government housing assistance program, in rental transactions and requirements; and establishes a special fund to reimburse land-owners who participate in the section 8 housing choice voucher program for repair costs of tenant-caused property damage greater than the tenant's security deposit; and makes an appropriation.

The League of Women Voters of Hawaii supports fair and equitable public policies in all arenas; SB36 SD1 provides such a policy in the rental housing market.

It is well known that landlords often resist renting to applicants who will use government rental assistance programs to pay their rent. This discrimination, perhaps based on assumptions about the responsibility/trustworthiness of individuals with very low incomes, unjustly deprives those individuals of an affordable residence. SB36 SD1 allows landlords to use all the screening methods they normally use to choose tenants except that they may not refuse applicants based on their eligibility for or participation in public housing assistance.

SD1 provides an incentive for landlords to accept such tenants, in the form of reimbursement for costs to repair tenant-caused damage greater than their security deposit, a prospective benefit not available when renting to a higher income tenant. This should reassure landlords who fear that very low income individuals are less responsible than higher income ones.

Thank you for the opportunity to submit testimony.



## Hawai'i

Committees: Committee on Judiciary  
Hearing Date/Time: 9:45am, February 23, 2021  
Place: Via Videoconference  
Re: *Testimony of the ACLU of Hawai'i in Support of S.B. 36, S.D. 1 Relating to Rental Discrimination*

Dear Chair Rhoads, Vice Chair Keohokalole, and members of the Committee:

The American Civil Liberties Union of Hawai'i writes **in support of S.B. 36, S.D. 1**. This bill prohibits discrimination in rental transactions based on an individual's participation in a housing assistance program or requirements related to such programs.

The State of Hawai'i continues to struggle with one of the highest rates of houselessness in the country, at over 2.5 times the national average.<sup>1</sup> This is due, in large part, to the high cost of living and lack of affordable housing in the state.<sup>2</sup> Housing assistance programs like the federal Housing Choice Voucher program ("Section 8") are an essential means of alleviating high rental costs for struggling families—and in turn fighting our state's housing crisis. In 2016, a federal Department of Housing and Urban Development ("HUD") study found that compared to other means of intervention, long-term rental subsidies that enabled families to offset the cost of a unit in the private market led to the **best outcomes for reducing family houselessness "by far."**<sup>3</sup>

However, programs like Section 8 depend on private landlords' willingness to rent to participating individuals. Unfortunately, discrimination based on "source of income" is well-documented in housing markets across the country—and **there is no general federal law that protects against it.**<sup>4</sup> As a result, many landlords flat out refuse, often including declarations that say "No Section 8" in their advertisements for available rentals. This prolongs the housing search for many renters, makes it extremely difficult to find habitable, safe housing, and can ultimately lead to the expiration of a voucher if certain time limits run out.

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<sup>1</sup> *State of Homelessness: 2020 Edition*, NAT'L ALL. TO END HOMELESSNESS, available at <https://endhomelessness.org/homelessness-in-america/homelessness-statistics/state-of-homelessness-2020/> (HUD's 2019 Annual Point-in-Time Count found a national average of 17 homeless individuals per 10,000 people in the general population; Hawai'i had a rate of 45.1 homeless individuals per 10,000).

<sup>2</sup> *Hawaii's Affordable Housing Crisis*, HAWAI'I APPLESEED CTR. FOR LAW & ECON. JUSTICE, at 3–4 (July 2014), available at <http://www.hiappleseed.org/sites/default/files/Hi%20Appleseed%20Housing%20Crisis%20Report.pdf>.

<sup>3</sup> *Family Options Study: 3-Year Impacts of Housing and Services Interventions for Homeless Families, Summary Report*, U.S. DEP'T OF HOUS. & URBAN DEV., OFFICE OF POLICY DEV. & RESEARCH, at 4 (2016).

<sup>4</sup> Mary K. Cunningham, Martha Galvez, Claudia L. Aranda, Robert Santos, Doug Wissoker, Alyse Oneto, Rob Pitingolo, James Crawford, *A Pilot Study of Landlord Acceptance of Housing Choice Vouchers: Executive Summary*, U.S. DEP'T OF HOUS. & URBAN DEV., OFFICE OF POLICY DEV. & RESEARCH, at 3–4 (2018); Alison Bell, Barbara Sard, Becky Koepnick, *Prohibiting Discrimination Against Renters Using Housing Vouchers Improves Results: Lessons From Cities and States That Have Enacted Source of Income Laws*, CTR. ON BUDGET & POLICY PRIORITIES, at 1–2 (2018).

Chair Rhoads and Members of the Committee on Judiciary  
February 23, 2021  
Page 2 of 2

To combat this problem and allow housing assistance programs to serve their intended function, numerous states, cities, and counties have already adopted laws prohibiting source of income discrimination.<sup>5</sup> Several studies have found that people living in areas with these non-discrimination laws are **more likely to succeed in securing a unit using a housing voucher**.<sup>6</sup> Given their success, it is time for Hawai'i to join this growing list of locales as they break down a critical barrier to affordable housing and improve geographic mobility for low-income families.

Importantly, discrimination based on source of income **often also functions as discrimination against women and children** in reality. One 2016 report noted that 83% of households participating in the Section 8 voucher program were led by women, and 43% of participating households contained children.<sup>7</sup> Property owners and landlords in Hawai'i should not be permitted to engage in behavior that is tantamount to sex or familial status discrimination under the pretense that they do not accept certain sources of income.

S.B. 36, S.D. 1 provides a remedy for violations of the law by enabling an individual to bring a direct cause of action in district court. For these reasons, the ACLU of Hawai'i **requests that the Committee support this measure**. Thank you for the opportunity to testify.

Sincerely,



Hope Kerpelman  
Legal and Legislative Fellow  
ACLU of Hawai'i

*The mission of the ACLU of Hawai'i is to protect the fundamental freedoms enshrined in the U.S. and State Constitutions. The ACLU of Hawai'i fulfills this through legislative, litigation, and public education programs statewide. The ACLU of Hawai'i is a non-partisan and private non-profit organization that provides its services at no cost to the public and does not accept government funds. The ACLU of Hawai'i has been serving Hawai'i for over 50 years.*

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<sup>5</sup> Solomon Greene, Patrick Spauster, Martha Galvez, Daniel Teles, Philip Tegeler, *State and Local Voucher Protection Laws*, THE URBAN INST., at 3 (2020).

<sup>6</sup> Alison Bell, Barbara Sard, Becky Koepnick, *Prohibiting Discrimination Against Renters Using Housing Vouchers Improves Results: Lessons From Cities and States That Have Enacted Source of Income Laws*, CTR. ON BUDGET & POLICY PRIORITIES, at 1, 5–6 (2018).

<sup>7</sup> Gail Quets, Áine Duggan, Gail Cooper, *A Gender Lens on Affordable Housing*, RE:GENDER, at 7 (2016).

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**Testimony of Ellen Godbey Carson in Support of SB36, SD1  
To the State Senate Committee on Judiciary  
Hearing on Tuesday, Feb. 23, 2021 at 9:45 a.m.**

**I write in support of S36, SD1.** While I write as an individual, I have served as President and director of Institute for Human Services, leader for Faith Action for Community Equity, and member of the Church of the Crossroads Peace and Justice Mission Team, spending hundreds of volunteer hours helping Hawaii find better systemic ways to address its dual crises of homelessness and lack of affordable housing.

Homelessness and lack of affordable housing in Hawaii leave many of our residents living on the streets in circumstances that threaten their mental and physical health. Our government housing assistance programs (Section 8, Housing First, and Rapid Re-housing, among others) provide a vital safety net for homeless individuals, by providing the critical financial assistance they need to find a home. We as taxpayers are funding these programs because it is important in a civilized society to provide basic housing for those who cannot otherwise afford it. Our median housing prices on Oahu, for example, are now over \$850,000 for a single family home and over \$400,000 for a condominium. There is no way such prices are affordable for many of our residents. Housing program beneficiaries have already been vetted and qualified under applicable law to receive these financial benefits for the intended purpose of helping them secure housing for themselves and their family.

When landlords discriminate against tenants (or tenant applicants) because of their use of Section 8 vouchers, this defeats the entire public policy behind this safety net program. SB 36, Our entire community suffers when this occurs: the individual who is homeless, the taxpayers who fund these programs, and the community that experiences higher levels of homelessness because we have failed to prohibit discrimination based on participation in government housing assistance programs. SD 1 would prohibit such discrimination.

This discrimination has a particularly cruel impact on women and children, as the great majority of housing assistance beneficiaries are households headed by women. Discrimination means these families are denied the housing they deserve, and they are relegated to living on our streets and other settings where their personal safety is in danger. The adverse impact of such discrimination on these women and children threatens to carry into future generations, as it forces them to live on the streets or in other dangerous circumstances.

Please pass SB 36, SD1.

Ellen Godbey Carson  
Honolulu, Hawaii

**SB-36-SD-1**

Submitted on: 2/21/2021 8:45:36 AM

Testimony for JDC on 2/23/2021 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Ellen Godbey Carson	Individual	Support	No

Comments:

Please pass SB700, to help us deter illegal hiking adventures in Hawaii. The public should not have to pay the costs for search and rescue for hikers who enter areas illegally. They put our first responders at risk and to incur substantial costs to rescue them.

Thank you.

**SB-36-SD-1**

Submitted on: 2/21/2021 4:23:03 PM

Testimony for JDC on 2/23/2021 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Glenn Nagao	Individual	Support	No

Comments:

The reality is that discrimination based on wealth and class exists. This bill takes a step to reduce some of that risk by requiring non-discriminatory practices while also providing a backstop for landlords who may be unwilling.

Support SB36

**SB-36-SD-1**

Submitted on: 2/21/2021 10:45:21 PM

Testimony for JDC on 2/23/2021 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Carrie Ann Shirota	Individual	Support	No

Comments:

Aloha Senators,

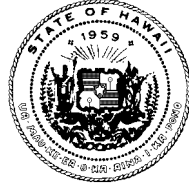
I am writing in strong support of SB36 SD1. Housing is a human right. Many persons, disproportionately single mothers with children, are locked out of the housing market when Section 8 Housing Choice Vouchers are not accepted by landlords.

Other jurisdictions have enacted laws to prohibit housing discrimination on the basis of source of income, recognizing the disparate impacts based on sex, race and national origin. We should do the same, and pass SB36 SD1.

Sincerely,  
Carrie Ann Shirota, Esq.



**LATE**



‘O kēia ‘ōlelo hō’ike no ke  
**Komikina Kūlana Olakino o Nā Wāhine**

Testimony on behalf of the  
**Hawai‘i State Commission on the Status of  
Women**

IN SUPPORT OF SB36 SD1  
February 23, 2021

Aloha Chair Rhoads, Vice Chair Keohokalole and Honorable Members,

The Hawai‘i State Commission on the Status of Women supports SB36 SD1, which 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 rental transactions and requirements.

SB36 SD1 is urgent in this specific historical moment of crisis. The measure would create an individual direct cause of action to prohibit landlords from discriminating against renters based on their source of rent money such as emergency rental assistance during COVID-19 and Housing Choice Vouchers/Section 8, which are tenant-based vouchers awarded to low-income households that assume responsibility for finding themselves appropriate units to rent in the private market.

SB36 SD1 can bring about greater gender equality. Source of income discrimination is a veiled form of illegal forms of discrimination, especially sex and family discrimination. Discrimination against women and children can be hidden by using voucher discrimination as a pretext. [An astounding 83 percent of households participating in the Section 8 Housing Choice Voucher Program are led by women.](#) Section 8 blanket bans further limits access to housing during the economic shocks of COVID-19 pandemic.

Further, Honolulu is one of the largest cities in the United States that permits income discrimination in housing. Accordingly, the Commission asks that the Committee pass SB36 SD1.

Sincerely,  
Khara Jabola-Carolus



EXECUTIVE CHAMBERS  
HONOLULU

February 2, 2021

TO: The Honorable Senator Stanley Chang, Chair  
Senate Committee on Housing

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

SUBJECT: **SB 36 – RELATING TO RENTAL DISCRIMINATION**

Hearing: Tuesday, February 2, 2021, 1:00 p.m.  
VIA VIDEO CONFERENCE  
Conference Room 225, State Capitol

**POSITION:** The Governor's Coordinator supports the intent of this measure. Specifically, the Coordinator supports section 2 of the measure, and appreciates the amendments by the Senate Committee on Housing, which increased the penalties for violation from \$500 to \$5,000.

The Coordinator defers to the Hawaii Public Housing Authority and Department of Budget and Finance on the merits and potential budget impact of Section 3.

**PURPOSE:** The purpose of the bill is to prohibit discrimination, including in advertisements for available rental units, based on receipt of income from a housing assistance program or requirements related to participation in housing assistance programs, in rental transactions and requirements. The bill also establishes the landlord incentive program special fund to reimburse landowners 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.

Section 2 of this measure will address a key barrier to housing for many low-income and homeless individuals and families throughout the state. 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 source of income, which includes the use of housing vouchers. In December 2020, the Hawaii Interagency Council on Homelessness prioritized addressing source of income discrimination in rental housing as a key priority for the 2021 legislative session.

In addition, the adoption of source of income legislation is aligned with ‘The Framework for an Equitable COVID-19 Homelessness Response’ supported by the Center on Budget & Policy Priorities, National Alliance to End Homelessness, National Innovation Service, National Health Care for the Homeless Council, National Low Income Housing Coalition, Urban Institute, Barbara Poppe and associates, and Matthew Doherty Consulting.

Homelessness remains one of the most pressing challenges facing Hawaii. Due to the pandemic related economic downturn, we anticipate the number of homeless individuals will significantly increase at a far greater magnitude than what followed the Great Recession. Previous statewide Point in Time counts showed an increase of over 2,100 homeless individuals between the 2009 economic recession and 2016. A steady focus on permanent housing, including maximized use of all available housing vouchers and programs, and rent and mortgage assistance or subsidies will be required to mitigate or reverse anticipated future increases in homelessness.

In response to the pandemic, the federal government has increased funding for housing subsidies available through the Emergency Solutions Grant (ESG) Rapid Rehousing, as well as similar long-term housing subsidies. However, many homeless individuals continue to experience difficulties in locating permanent housing, despite being assigned a housing voucher programs through programs such as Housing First, the State Rent Supplement Program, the Section 8 Housing Choice Voucher program, Tenant-Based Rental Assistance (TBRA), or the U.S. Department of Housing and Urban Development Veteran Affairs Supportive Housing (HUD VASH) program.

According to feedback from service providers, many landlords are reluctant to rent to individuals who have a voucher or who report receiving case management through Housing First or a similar program. Providers have shared that a number of advertisements for housing specifically state “No Section 8” or “No Vouchers.” The Coordinator’s office has also received

direct calls and e-mails from constituents who cite discrimination against individuals with a housing voucher as a key factor related to their homelessness.

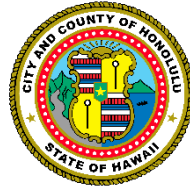
Thank you for the opportunity to testify on this bill.

**LATE**

**OFFICE OF THE MAYOR  
CITY AND COUNTY OF HONOLULU**

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RICK BLANGIARDI  
MAYOR



MICHAEL D. FORMBY  
MANAGING DIRECTOR DESIGNATE

DANETTE MARUYAMA  
DEPUTY MANAGING DIRECTOR

February 19, 2021

TO: The Honorable Senator Karl Rhoads, Chair  
The Honorable Senator Jarrett Keohokalole, Vice Chair  
Senate Committee on Judiciary

FROM: Anton C. Krucky, Executive Director, Office of Housing

RE: **SB36 Relating to Rental Discrimination**

Tuesday, February 23, 2021  
At 9:45 AM

**POSITION: In Support**

The City and County of Honolulu supports the need to increase the supply of housing, especially for those families at the lower income levels who seem to have been disproportionately impacted during the current Covid-19 pandemic.

This bill represents an opportunity to strengthen our ability to provide housing stability for local people particularly during the pandemic, by removing barriers that can limit the effectiveness of our housing assistance programs.

We appreciate the opportunity to provide comments on this measure. Should you have any questions or require any additional information please feel free to contact Mr. Anton Krucky at 808-768-4275.