

GOV. MSG. NO. 1439

EXECUTIVE CHAMBERS

DAVID Y. IGE GOVERNOR

July 12, 2022

The Honorable Ronald D. Kouchi, President and Members of the Senate Thirty-First State Legislature State Capitol, Room 409 Honolulu, Hawai'i 96813 The Honorable Scott K. Saiki, Speaker and Members of the House of Representatives Thirty-First State Legislature State Capitol, Room 431 Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on July 12, 2022, the following bill was signed into law:

SB206 SD2 HD1 CD1

RELATING TO RENTAL DISCRIMINATION. ACT 310

Sincerely,

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DAVID Y. IGE Governor, State of Hawai'i

THE SENATE THIRTY-FIRST LEGISLATURE, 2021 STATE OF HAWAII

ACT 310206 S.D. 2 S.B. NO.

C.D. 1

A BILL FOR AN ACT

RELATING TO RENTAL DISCRIMINATION.

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

1 SECTION 1. The legislature finds that the federal housing 2 choice voucher program, also known as section 8 of the United 3 States Housing Act of 1937, as amended, provides federally-4 funded, tenant-based vouchers to low-income households who are 5 responsible for finding appropriate rental units in the private 6 market. Once a household receives a section 8 voucher, the 7 challenge is finding a landlord who is willing to accept the 8 voucher. The legislature believes that renters who participate 9 in housing assistance programs, such as section 8, should have 10 an equal opportunity to find housing and should not be 11 discriminated against because their source of income includes 12 funds from housing assistance programs.

Studies have shown that when there are laws that prevent discrimination against renters with housing assistance vouchers, these renters are twelve per cent more likely to find housing. The American Bar Association adopted a resolution in 2017 that called for the enactment of laws that ban housing discrimination based on lawful sources of income. The legislature notes that 2022-3041 SB206 CD1 SMA-1.doc 1 Page 2

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source of income discrimination laws do not alter or restrict standard industry practices to vet prospective renters. Rather, these laws prohibit landlords from rejecting prospective renters who receive section 8 vouchers or other housing assistance

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5 simply because of the voucher or assistance.

6 The purpose of this Act is to prohibit discrimination, 7 including in advertisements for rental property, in rental 8 transactions based on participation in a section 8 housing 9 choice voucher program or any permanent supportive housing 10 program or requirements related to participation in these 11 housing assistance programs.

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

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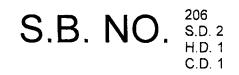
"CHAPTER

16 RENTAL DISCRIMINATION BASED ON SOURCE OF INCOME
 17 S -1 Definitions. As used in this chapter, unless the
 18 context clearly requires otherwise:

19 "Housing assistance program" means a section 8 housing
20 choice voucher program or any permanent supportive housing
21 program.

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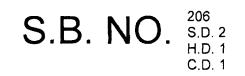


1	"Rer	ital transaction" means any part of the process for the
2	rental or	lease of a premises for residential purposes.
3	§	-2 Discriminatory practices in a rental transaction
4	based on	source of income. It shall be a discriminatory
5	practice	for a landlord to:
6	(1)	Indicate in any manner used to advertise the
7		availability of a rental property that the landlord
8		will not rent a property to a person participating in
9		a housing assistance program;
10	(2)	Discourage in any manner a person from seeking to
11		engage in a rental transaction based on the person's
12		participation in a housing assistance program;
13	(3)	Refuse to engage in a rental transaction with a person
14		because of the person's participation in a housing
15		assistance program or requirements related to
16		participation in a housing assistance program; or
17	(4)	Require rental conditions that are different from
18		those required for a person not participating in a
19		housing assistance program.
20	S	-3 Exemptions. Section -2 shall not apply to:

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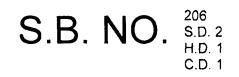
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1	(1)	Landlords who are determining in a commercially
2		reasonable manner the ability of a potential tenant to
3		pay rent by:
4		(A) Verifying the source and amount of income of the
5		potential tenant; or
6		(B) Evaluating the stability, security, and
7		creditworthiness of the potential tenant or any
8		source of income of the potential tenant;
9	(2)	Landlords with ownership of not more than four
10		dwelling units in the State at the time of the alleged
11		discriminatory rental transaction; provided that this
12		paragraph shall not apply if an owner, whether
13		individually or through a business entity, owns more
14		than a ten per cent interest in more than four
15		dwelling units in the State at the time of the alleged
16		discriminatory rental transaction;
17	(3)	Landlords in a case where a source of income is not
18		approved within twenty-one days of a person's
19		submission of a good faith request for tenancy
20		approval, which shall include the inspection of a
21		unit;

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1	(4)	The rental of any housing accommodation in a building
2		that contains housing accommodations for not more than
3		two families living independently of each other if the
4		owner or lessor resides in one of the housing
5		accommodations;
6	(5)	The rental of a room or up to four rooms in a housing
7		accommodation by an owner or lessor if the owner or
8		lessor resides in the housing accommodation; and
9	(6)	The rental of an affordable housing project subsidized
10		by public funds or lands.
11	Ş	-4 Remedies. (a) A landlord that violates any
11 12	-	-4 Remedies. (a) A landlord that violates any as of this chapter may be subject to a civil penalty in
	provision	
12	provision an amount	s of this chapter may be subject to a civil penalty in
12 13	provision an amount have viol	s of this chapter may be subject to a civil penalty in not to exceed \$2,000 if determined by the court to
12 13 14	provision an amount have viol	as of this chapter may be subject to a civil penalty in not to exceed \$2,000 if determined by the court to ated this chapter for the first time within one year of prence of the alleged violation.
12 13 14 15	provision an amount have viol the occur (b)	as of this chapter may be subject to a civil penalty in not to exceed \$2,000 if determined by the court to ated this chapter for the first time within one year of prence of the alleged violation.
12 13 14 15 16	provision an amount have viol the occur (b)	as of this chapter may be subject to a civil penalty in not to exceed \$2,000 if determined by the court to ated this chapter for the first time within one year of erence of the alleged violation. The court may impose a \$2,500 penalty against a for any subsequent violation of this chapter by the
12 13 14 15 16 17	provision an amount have viol the occur (b) landlord	as of this chapter may be subject to a civil penalty in not to exceed \$2,000 if determined by the court to ated this chapter for the first time within one year of erence of the alleged violation. The court may impose a \$2,500 penalty against a for any subsequent violation of this chapter by the

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(d) No landlord shall be fined more than once for the same 1 2 violation under this section. 3 (e) No party shall be awarded attorney's fees or costs in any action under this section. 4 All fines collected under this section shall be 5 (f) deposited into general fund." 6 SECTION 3. The Hawaii public housing authority and the 7 Hawaii civil rights commission shall produce and make available 8 informational materials for the purpose of providing notice of 9 specific rights and obligations pursuant to this Act and widely 10 11 publicize the prohibition against discrimination based on source 12 of income. SECTION 4. This Act does not affect rights and duties that 13 matured, penalties that were incurred, and proceedings that were 14 15 begun before its effective date. SECTION 5. This Act shall take effect upon its approval; 16 provided that section 2 of this Act shall take effect on May 1, 17 18 2023.

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APPROVED this 12th day of July , 2022

Arrid Y by

GOVERNOR OF THE STATE OF HAWAII

S.B. No. 206, S.D. 2, H.D. 1, C.D. 1

THE SENATE OF THE STATE OF HAWAI'I

Date: May 3, 2022 Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate

of the Thirty-First Legislature of the State of Hawai'i, Regular Session of 2022.

President of the Senate

Ounder

Clerk of the Senate

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 3, 2022 Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-First Legislature of the State of Hawaii, Regular Session of 2022.

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Scott K. Saiki Speaker House of Representatives

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Brian L. Takeshita Chief Clerk House of Representatives