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# 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 low-income  
2 individuals experience extreme difficulty in finding affordable  
3 rentals in Hawai'i. This situation becomes all the more  
4 frustrating when housing vacancy advertisements proclaim "no  
5 Section 8 accepted" or "Section 8 need not apply" in an effort  
6 to prevent low-income individuals with housing vouchers from  
7 being considered as tenants. News reports, locally and  
8 nationally, have documented that prospective tenants are often  
9 rejected by landlords due to their use of housing vouchers or  
10 other forms of housing assistance, or based on requirements for  
11 participation in a housing program.

12       The legislature further finds that studies have shown that  
13 when there are laws to prevent discrimination against renters  
14 with housing vouchers, such renters are twelve per cent more  
15 likely to find housing. Discrimination against voucher holders  
16 and recipients of other housing assistance programs, often  
17 termed "source of income" discrimination, is prohibited in



1 twelve states and the District of Columbia, as well as numerous  
2 cities and counties throughout the United States. Further, the  
3 American Bar Association adopted a resolution in 2017 calling  
4 for enactment of laws that ban housing discrimination based on  
5 lawful sources of income. Hawai'i law currently does not  
6 prohibit housing discrimination based on lawful sources of  
7 income.

8 The legislature notes that source of income laws do not  
9 alter or restrict the standard industry practices to vet  
10 prospective renters. Rather, these laws prohibit landlords from  
11 rejecting prospective renters who receive housing vouchers or  
12 other housing assistance simply because of the voucher or  
13 assistance. The legislature believes that renters who  
14 participate in housing assistance programs, such as the federal  
15 housing choice voucher program, also known as section 8 housing,  
16 should have an equal opportunity to find housing.

17 The legislature further finds that allowing landlords to  
18 consider a rental applicant's source of income also functions as  
19 a proxy for discriminating against women. Nationally, prior to  
20 the coronavirus disease 2019 (COVID-19) pandemic, eighty-three  
21 per cent of households participating in the section 8 federal



1 housing choice voucher program were headed by women. Currently,  
2 there are more than twenty-two thousand single mothers in  
3 Hawai'i, and ninety-two per cent of single mothers surveyed  
4 during the COVID-19 pandemic reported that they had lost  
5 financial independence due to the economic crisis.

6 The legislature also finds that that during the ongoing  
7 COVID-19 pandemic, reluctance to rent to tenants in housing  
8 assistance programs has adversely impacted the utilization of  
9 new federal resources, such as the United States Department of  
10 Housing and Urban Development Emergency Housing Vouchers (EHVs)  
11 and the United States Department of Treasury Emergency Rental  
12 Assistance. For example, even though seven hundred and eight  
13 EHVs have been allocated statewide in Hawaii since mid-2021,  
14 only thirty-six households have been able to find housing as of  
15 January 20, 2022.

16 The purpose of this Act is to prohibit discrimination,  
17 including in advertisements for available real property, based  
18 on participation in a housing assistance program, or  
19 requirements related to participation in housing assistance  
20 programs, in real estate transactions and requirements.



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

4                               "CHAPTER

5                               SOURCE OF INCOME DISCRIMINATION IN HOUSING

6       §   -1 Definitions. As used in this chapter, unless the  
7 context clearly requires otherwise:

8       "Housing assistance program" means any government  
9 assistance, grant, loan, or rental assistance program, including  
10 low-income housing assistance certificates and vouchers under  
11 the United States Housing Act of 1937, as amended.

12       "Rental transaction" means any part of the process or  
13 transaction for the rental or lease of a premises for  
14 residential purposes.

15       "Steer" means the practice of directing persons who seek to  
16 enter into a rental transaction toward or away from the premises  
17 to deprive them of the benefits of living in a discrimination-  
18 free environment.

19       §   -2 Discriminatory practices. (a) It is a  
20 discriminatory practice for an owner or any other person  
21 engaging in a real estate transaction, or for a real estate



1 broker or salesperson, because of participation in a housing  
2 assistance program or requirements related to participation in a  
3 housing assistance program to:

4 (1) Refuse to engage in a real estate transaction with a  
5 person;

6 (2) Discriminate against a person in the terms,  
7 conditions, or privileges of a real estate transaction  
8 or in the furnishing of facilities or services in  
9 connection with a real estate transaction;

10 (3) Refuse to receive or to fail to transmit a bona fide  
11 offer to engage in a real estate transaction from a  
12 person;

13 (4) Refuse to negotiate for a real estate transaction with  
14 a person;

15 (5) Represent to a person that real property is not  
16 available for inspection, sale, rental, or lease when  
17 in fact it is available; or to fail to bring a  
18 property listing to the person's attention; or to  
19 refuse to permit the person to inspect real property;  
20 or to steer a person seeking to engage in a real  
21 estate transaction;



1           (6) Offer, solicit, accept, use, or retain a listing of  
2           real property with the understanding that a person may  
3           be discriminated against in a real estate transaction  
4           or in the furnishing of facilities or services in  
5           connection with a real estate transaction; or

6           (7) Discriminate against or deny a person access to, or  
7           membership or participation in, any multiple listing  
8           service, real estate broker's organization, or other  
9           service, organization, or facility involved either  
10          directly or indirectly in real estate transactions; or  
11          to discriminate against any person in the terms or  
12          conditions of access, membership, or participation.

13          (b) Nothing in this section shall be deemed to prohibit a  
14          person from determining the ability of a potential buyer or  
15          renter to pay a purchase price or rent by:

16          (1) Verifying, in a commercially reasonable manner, the  
17          source and amount of income of the potential buyer or  
18          renter; or

19          (2) Evaluating, in a commercially reasonable manner, the  
20          stability, security, and credit worthiness of the



1 potential buyer or renter or any source of income of  
2 the potential buyer or renter.

3 § -3 **Blockbusting.** It is a discriminatory practice for  
4 a person, representative of a person, or a real estate broker or  
5 salesperson, for the purpose of inducing a real estate  
6 transaction from which the person, representative, or real  
7 estate broker or salesperson may benefit financially, because of  
8 participation in a housing assistance program or requirements  
9 related to participation in a housing assistance program, to  
10 represent that:

- 11 (1) A change has occurred or will or may occur in the  
12 composition of the owners or occupants in the block,  
13 neighborhood, or area in which the real property is  
14 located; or
- 15 (2) A change will or may result in the lowering of  
16 property values, an increase in criminal or antisocial  
17 behavior, or a decline in the quality of schools in  
18 the block, neighborhood, or area in which the real  
19 property is located.



1           §   -4 Other discriminatory practices. It is a  
2 discriminatory practice for a person, or for two or more  
3 persons, to conspire to:

4           (1) Retaliate, threaten, or discriminate against a person  
5 because of the exercise or enjoyment of any right  
6 granted or protected by this chapter; or because the  
7 person has opposed a discriminatory practice; or  
8 because the person has made a charge, filed a  
9 complaint, testified, assisted, or participated in an  
10 investigation, proceeding, or hearing under this  
11 chapter;

12          (2) Aid, abet, incite, or coerce a person to engage in a  
13 discriminatory practice;

14          (3) Interfere with any person in the exercise or enjoyment  
15 of any right granted or protected by this chapter or  
16 with the performance of a duty or the exercise of a  
17 power by the commission;

18          (4) Obstruct or prevent a person from complying with this  
19 chapter or an order issued pursuant to this chapter;

20          (5) Intimidate or threaten any person engaging in  
21 activities designed to make other persons aware of, or





1 encouraging such other persons to exercise rights  
2 granted or protected by this chapter;

3 (6) Threaten, intimidate, or interfere with persons in  
4 their enjoyment of a housing accommodation because of  
5 participation in a housing assistance program or  
6 requirements related to participation in a housing  
7 assistance program; or

8 (7) Print, circulate, post, or mail, or cause to be  
9 published a statement, advertisement, or sign, or to  
10 use a form of application for a real estate  
11 transaction, or to make a record or inquiry in  
12 connection with a prospective real estate transaction  
13 that indicates, directly or indirectly, an intent to  
14 make a limitation or specification, or to discriminate  
15 because of participation in a housing assistance  
16 program or requirements related to participation in a  
17 housing assistance program.

18 § -5 Remedies for discrimination based on participation  
19 in a housing assistance program. (a) If a person engaging in a  
20 real estate transaction engages in a discriminatory practice  
21 based on participation in a housing assistance program or



1 requirements related to participation in a housing assistance  
2 program in violation of this chapter, any aggrieved person may  
3 bring a civil action in district court for appropriate  
4 injunctive relief within one year of the occurrence of the  
5 discriminatory violation.

6 (b) In an action brought pursuant to subsection (a), a  
7 district court:

8 (1) May issue an injunction to enjoin violation of this  
9 chapter in regard to discriminatory practices based on  
10 participation in a housing assistance program or  
11 requirements related to participation in a housing  
12 assistance program; and

13 (2) In any case in which it issues an injunction pursuant  
14 to paragraph (1), may also assess a fine not to exceed  
15 \$5,000 and award reasonable attorney's fees incurred  
16 in the civil action."

17 SECTION 3. The executive director of the Hawaii civil  
18 rights commission shall produce materials related to this Act  
19 and publicize the prohibition against discrimination based on  
20 participation in housing assistance programs or requirements  
21 related to participation in housing assistance programs.



1           SECTION 4. This Act does not affect rights and duties that  
2   matured, penalties that were incurred, and proceedings that were  
3   begun before its effective date.

4           SECTION 5. This Act shall take effect upon its approval.



**Report Title:**

Real Property Discrimination; Housing Assistance Program

**Description:**

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. (SD2)

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