

# HAWAI‘I CIVIL RIGHTS COMMISSION

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February 2, 2022  
Via Videoconference, 9:30 a.m.  
Conference room 229

To: The Honorable Rosalyn H. Baker, Chair  
The Honorable Stanley Chang 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. 2399

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. 2399**, which would amend the HRS to add a new chapter to prohibit rental 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.

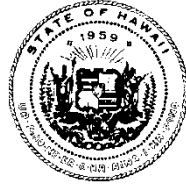
In recent years a number of states and municipalities have enacted laws prohibiting discrimination in housing based on lawful source of income, including Section 8 vouchers as a source of income. Courts have held that these state and local laws are not preempted by federal Section 8 law (which states 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, its 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. This bill addresses past concerns and is preferable to earlier bills. S.B. No. 2399 places the new prohibited practice in a new chapter of the HRS, focuses specifically on source of income discrimination in residential rental transactions rather than real estate transactions more broadly, with enforcement through direct civil action in district court and provision for appropriate remedies, including injunctive relief, attorney fees and costs and damages up to \$5,000.**

**The HCRC supports S.B. No. 2399.**

DAVID Y. IGE  
GOVERNOR



HAKIM OUANSAFI  
EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO  
EXECUTIVE ASSISTANT

**STATE OF HAWAII**  
HAWAII PUBLIC HOUSING AUTHORITY  
1002 NORTH SCHOOL STREET  
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Statement of  
**Hakim Ouansafi**  
Hawaii Public Housing Authority  
Before the

**SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION**

**Wednesday, February 2, 2022**

**9:30 AM – Via Videoconference – Conference Room 229, Hawaii State Capitol**

In consideration of

**SB 2399**

**RELATING TO RENTAL DISCRIMINATION**

Honorable Chair Baker and Members of the Senate Committee on Commerce and Consumer Protection, thank you for the opportunity to provide testimony concerning Senate Bill (SB) 2399, relating to rental discrimination.

The Hawaii Public Housing Authority (HPHA) **supports** the enactment of SB 2399, which prohibits discrimination in rental transactions based on participation in any government rental assistance program, including low-income housing assistance under the United States Housing Act of 1937, 42 U.S.C. § 1437f, as amended.

One of the programs in which the HPHA assists our low-income families is through the Section 8 Housing Choice Voucher Program, also known as “Section 8 HCV”. The Section 8 HCV program is one of the federal government’s major programs for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market, including single-family homes, townhouses and apartments. This program currently brings \$44.70 million dollars a year primarily on the island of Oahu, supports over 3,200 families and over 11,200 individuals.

Because of the much-anticipated appropriation of additional federal funding currently being negotiated in Congress, and the overwhelming need in our community to assist our low-income families, we are hopeful that with the passage of this measure, our current and future Section 8 HCV participants will be considered as tenants and given a chance to apply for vacant rental units in the private market.

In the last few years, the HPHA received feedback that many landlords advertise “No Section 8” and refuse to consider Section 8 participants because they believe that they will not be good tenants. After launching a “lease in place” preference at the end of 2020, we were surprised to learn that many landlords did not want to participate in the Section 8 program even though their current renters had been with them for many years. We discovered that many landlords prefer cash payments for tax purposes. While some landlords that currently participate in the Section 8 program have legitimate concerns that we’ve addressed, other landlords still refuse to consider Section 8 participants because of the stigma that they are not good tenants, and/or they prefer, due to cash advantages, cash payments instead of receiving the 1099 that we are required to send.

The Section 8 HCV program is an important part of the State’s efforts in addressing the affordable housing needs of our low-income families. All families go through a criminal background, sex offender and Homeland Security screenings before being given a voucher to pursue a rental unit, and the HPHA is willing to work and assist all landlords that would like to participate in the program.

The HPHA appreciates the opportunity to provide the Committee with the HPHA’s testimony regarding SB 2399. We thank you very much for your dedicated support.



EXECUTIVE CHAMBERS  
HONOLULU

February 2, 2022

TO: The Honorable Senator Rosalyn H. Baker, Chair  
Senate Committee on Commerce and Consumer Protection

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

SUBJECT: **SB 2399 – RELATING TO RENTAL DISCRIMINATION**

Hearing: Wednesday, February 2, 2022, 9:30 a.m.  
VIA VIDEO CONFERENCE

**POSITION:** The Governor's Coordinator supports this measure.

The Coordinator notes that there are other measures in consideration that similarly address discrimination against individuals participating in housing assistance programs. [SB1135 SD1](#), an administration bill, was carried over from the 2021 session and referred to the joint Senate committees on Judiciary and Ways and Means. A similar measure, [SB206 SD2](#), recently passed out of the Senate Judiciary Committee and is scheduled for Third Reading in the Senate.

**PURPOSE:** The purpose of the bill is to prohibit discrimination in rental transactions based on participation in any government rental assistance program, including low-income housing assistance under the United States Housing Act of 1937, 42 U.S.C. § 1437f, as amended.

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 2021 the Hawaii Interagency Council on Homelessness prioritized addressing upfront barriers to accessing housing, such as source of income discrimination in rental housing, as a key priority for the 2022 legislative session.

According to feedback from service providers, many landlords are reluctant to rent to individuals who receive housing assistance through a Section 8 Housing Choice Voucher or other subsidies such as permanent supportive housing or 'Housing First' programs. Numerous advertisements for housing specifically state "No Section 8" or "No Vouchers." The stories and feedback related to source of income discrimination and challenges related to finding landlords open to housing assistance is captured online in interviews with landlords, service providers, and homeless individuals at: <https://homelessness.hawaii.gov/landlord-engagement>.

During the ongoing COVID-19 pandemic, reluctance to rent to clients in housing assistance programs has adversely impacted the utilization of new federal resources, such as U.S. Department of Housing and Urban Development Emergency Housing Vouchers (EHVs) and U.S. Department of Treasury Emergency Rental Assistance (ERA). For example, even though 708 EHVs have been allocated statewide in Hawaii since mid-2021, only 36 households have been leased up statewide as of January 20, 2022. In addition, providers have shared stories of homeless individuals who were approved for prospective rent through ERA after eviction from a prior unit and are unable to find a landlord open to accept this assistance in a new unit.

The Coordinator understands that addressing 'source of income' discrimination is just one piece of a more comprehensive effort to address homelessness and housing instability. In addition to prioritizing the reduction of upfront housing barriers, the HICH has prioritizing low-income housing development for individuals transitioning out of homelessness, as well as support for landlord incentive programs and for the expansion of programs that assist key homeless sub-populations (e.g., unsheltered youth, adults with severe mental illness, etc.). For more information about the 2022 HICH policy priorities, view: <https://homelessness.hawaii.gov/advocacy>.

Thank you for the opportunity to testify on this bill.

# 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 SB 2399: RELATING TO RENTAL DISCRIMINATION

TO: Senate Committee on Commerce and Consumer Protection  
FROM: Partners In Care (PIC)  
Hearing: **Wednesday, 2/2/22; 9:30 AM; via videoconference**

Chair Baker, Vice Chair Chang, and Members, Committee on Commerce and Consumer Protection:

Thank you for the opportunity to provide testimony in **SUPPORT of SB 2399**, which would prohibit discrimination in rental transactions based on participation in any government rental assistance program. Partners In Care (PIC), a coalition of more than 60 non-profit homelessness providers and concerned organizations, works on Oahu to end homelessness.

Partners In Care works with landlords in our Housing Now program. We have successfully placed 286 families, as of January 2022, into permanent housing, many utilizing rental assistance programs. We have seen the benefits both to stabilize rents for the formerly homeless tenants and the landlords. However, we and all of our service providers also have a very difficult time helping holders of housing vouchers to actually find a landlord who will consider this valuable resource. For example, one homeless individual was issued a voucher in February 2021, and although they received multiple extensions and submitted multiple applications each week, were still unable to find a landlord willing to consider the housing voucher as of November 2021.

Hawai'i recently received 700 new Section 8 vouchers to house homeless or those at risk of homelessness. What a challenge to use this valuable resource to END homelessness for 700 families. Only 35 voucher holders have been able to lease a unit so far. Partners In Care strongly supports prohibiting discrimination by landlords of rental housing based on applicants' participation in a rental assistance program. **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.** We ask that you give families a fair shot at finding housing.

During the pandemic, more and more people have sought housing assistance and tens of millions of Section 8 dollars and other subsidies have also supported landlords. This bill would enable households with housing assistance to apply for rentals and be judged on the same tenancy qualifications as other applicants instead of being judged only on their participation in an assistance program. It would not change the current standards of the industry and would allow landlords to verify income sources and evaluate prospective tenants like they would other tenants, including based on creditworthiness.

The State must encourage greater participation in comprehensive housing programs that stabilize our local families and increase upward social mobility, while directly addressing Hawai'i's housing and homelessness challenges. We urge your support for SB 2399.

**Bob Wardlaw, Advocacy Chair, PARTNERS IN CARE, OAHU'S CONTINUUM OF CARE**  
200 North Vineyard Boulevard • Suite 210 • Honolulu, Hawaii 96817 • (808) 285-4451 •  
[PICadvocate@gmail.com](mailto:PICadvocate@gmail.com)



## CATHOLIC CHARITIES HAWAII

### TESTIMONY IN SUPPORT OF SB 2399: RELATING TO RENTAL DISCRIMINATION

TO: Senate Committee on Commerce and Consumer Protection  
FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawai'i  
Hearing: **Wednesday, 2/2/22; 9:30 am; via videoconference**

Chair Baker, Vice Chair Chang, and Members, Committee on Commerce and Consumer Protection:

Thank you for the opportunity to provide testimony **in support of SB 206, 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 step forward in enabling Hawaii residents to have a fair chance to obtain housing.**

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai'i for over 75 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 supports this bill since it provides clear language for both applicants and landlords to understand what discriminatory practices are prohibited. CCH helps many struggling families, elders, veterans and people who are homeless to find housing. When our clients obtain a Section 8 voucher it is 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 life. 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. **Honolulu is one of the largest metropolitan areas in the US that does not prohibit this practice.**

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 many lower income women with children. Source of income discrimination is sometimes a veiled form of sex and family/children discrimination.

In areas that prohibit this type of discrimination, renters with housing vouchers are 12% more likely to obtain housing than in areas that do not prohibit this discrimination. Hawai'i needs all the help it can get to stably house our lower income families and to end homelessness! **Hawai'i residents must not be shut off from these extremely valuable resources.**

We urge your support for this bill. 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.



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Phone (808) 373-0356 • [bettylou.larson@CatholicCharitiesHawaii.org](mailto:bettylou.larson@CatholicCharitiesHawaii.org)





## TESTIMONY IN SUPPORT OF SB 2399

TO: Chair Baker, Vice Chair Chang, & Committee Members

FROM: Nikos Leverenz  
Grants & Advancement Manager

DATE: February 2, 2022 (9:30 AM)

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Hawai'i Health & Harm Reduction Center (HHRC) **strongly supports** SB 2399, which prohibits discrimination in rental transactions based on participation in any government rental assistance program, including the federal housing choice voucher program (Section 8).

This measure recognizes that many low-income persons and families who obtain needed assistance have great difficulty in finding and securing rentals in a perennially high-cost, low-supply housing landscape. This includes people living with HIV who receive federal housing assistance and are provided medical case management services by HHRC staff.

[Hawai'i should join the states of California, Connecticut, Colorado, Maryland, Massachusetts, New Jersey, New York, North Dakota, Oklahoma, Oregon, Rhode Island, Utah, Vermont, Virginia, and Washington, and the District of Columbia, in prohibiting rental discrimination based on income sources.](#)

HHRC Executive Director Heather Lusk currently serves as Board Chair of [Partners in Care O'ahu](#), a planning, coordinating, and advocacy alliance that develops recommendations for programs and services to fill needs within O'ahu's continuum of care for homeless persons. HHRC provides homeless outreach and housing placement navigation services in urban Honolulu and the Upper Windward Coast, including North Shore.

HHRC's mission is to reduce harm, promote health, create wellness, and fight stigma in Hawai'i and the Pacific. We work with many individuals impacted by poverty, housing instability, and other social determinants of health. Many have behavioral health problems, including those related to substance use and mental health conditions. Many of our program clients and participants have also been deeply impacted by trauma, including histories of physical, sexual, and psychological abuse.

Thank you for the opportunity to testify on this measure.