

THE SENATE  
THIRTY-FIRST LEGISLATURE, 2021  
STATE OF HAWAII

**S.B. NO.** 206  
S.D. 2  
H.D. 1

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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 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.

13           Studies have shown that when there are laws that prevent  
14 discrimination against renters with housing assistance vouchers,  
15 these renters are twelve per cent more likely to find housing.  
16 The American Bar Association adopted a resolution in 2017 that  
17 called for the enactment of laws that ban housing discrimination



1 based on lawful sources of income. The legislature notes that  
2 source of income discrimination laws do not alter or restrict  
3 standard industry practices to vet prospective renters. Rather,  
4 these laws prohibit landlords from rejecting prospective renters  
5 who receive section 8 vouchers or other housing assistance  
6 simply because of the voucher or assistance.

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

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

16 **"CHAPTER**

17 **RENTAL DISCRIMINATION BASED ON SOURCE OF INCOME**

18 § -1 **Definitions.** As used in this chapter, unless the  
19 context clearly requires otherwise:



1 "Housing assistance program" means a section 8 housing  
2 choice voucher program or any permanent supportive housing  
3 program.

4 "Rental transaction" means any part of the process for the  
5 rental or lease of a premises for residential purposes.

6 **§ -2 Discriminatory practices in a rental transaction**  
7 **based on source of income.** (a) It shall be a discriminatory  
8 practice for a landlord to:

- 9 (1) Indicate in any manner used to advertise the  
10 availability of a rental property that the landlord  
11 will not rent a property to a person participating in  
12 a housing assistance program;
- 13 (2) Discourage in any manner a person from seeking to  
14 engage in a rental transaction based on the person's  
15 participation in a housing assistance program;
- 16 (3) Refuse to engage in a rental transaction with a person  
17 because of the person's participation in a housing  
18 assistance program or requirements related to  
19 participation in a housing assistance program; or



1 (4) Require rental conditions that are different from  
2 those required for a person not participating in a  
3 housing assistance program.

4 § -3 **Exemptions.** Section -2 shall not apply to:

5 (1) Landlords who are determining in a commercially  
6 reasonable manner the ability of a potential tenant to  
7 pay rent by:

8 (A) Verifying the source and amount of income of the  
9 potential tenant; or

10 (B) Evaluating the stability, security, and  
11 creditworthiness of the potential tenant or any  
12 source of income of the potential tenant;

13 (2) Landlords with ownership of no more than six dwelling  
14 units in the State at the time of the alleged  
15 discriminatory rental transaction; provided that this  
16 paragraph shall not apply if an owner, whether  
17 individually or through a business entity, owns more  
18 than a ten per cent interest in more than six dwelling  
19 units in the State at the time of the alleged  
20 discriminatory rental transaction;



- 1 (3) Landlords in a case where a source of income is not  
2 approved within twenty-one days of a person's  
3 submission of a good faith request for tenancy  
4 approval, which shall include the inspection of a  
5 unit;
- 6 (4) The rental of any housing accommodation in a building  
7 that contains housing accommodations for no more than  
8 two families living independently of each other if the  
9 owner or lessor resides in one of the housing  
10 accommodations;
- 11 (5) The rental of a room or up to four rooms in a housing  
12 accommodation by an owner or lessor if the owner or  
13 lessor resides in the housing accommodation; and
- 14 (6) The rental of an affordable housing project subsidized  
15 by public funds or lands.

16 § -4 Remedies. (a) A landlord that violates any  
17 provisions of this chapter may be subject to a civil penalty in  
18 an amount not to exceed \$2,000 if determined by the court to  
19 have violated this chapter for the first time within one year of  
20 the occurrence of the alleged violation.



1 (b) The court may impose a \$2,500 penalty against a  
2 landlord for any subsequent violation of this chapter by the  
3 landlord.

4 (c) The court may also order any injunctive or other  
5 equitable relief as it deems proper.

6 (d) No landlord shall be fined more than once for the same  
7 violation under this section.

8 (e) No party shall be awarded attorney's fees or costs in  
9 any action under this section.

10 (f) All fines collected under this section shall be  
11 deposited into general fund."

12 SECTION 4. This Act does not affect rights and duties that  
13 matured, penalties that were incurred, and proceedings that were  
14 begun before its effective date.

15 SECTION 5. This Act shall take effect on July 1, 2050.



**S.B. NO.** 206  
S.D. 2  
H.D. 1

**Report Title:**

Rental Discrimination; Source of Income; Prohibited Practices;  
Housing Assistance Program; Section 8 Housing Choice Vouchers

**Description:**

Prohibits discrimination, including in advertisements for rental property, in rental transactions based on participation in a section 8 housing choice program or any permanent supportive housing program or requirements related to participation in these housing assistance programs. Effective 7/1/2050. (HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

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