

HOUSE BILL REPORT

HB 1956

As Reported by House Committee On:
Housing

Title: An act relating to discrimination based on lawful source of income.

Brief Description: Prohibiting discrimination based on lawful source of income.

Sponsors: Representatives Pettigrew, Miloscia, Santos, Sells, Ormsby and Hasegawa.

Brief History:

Committee Activity:

Housing: 2/12/07, 2/19/07 [DP].

Brief Summary of Bill

- Declares the right to be free from discrimination in real estate transactions to be a civil right.
- Adds "lawful source of income" to the list of individual characteristics that may not be used to discriminate against a Washington resident in specific real estate transactions.

HOUSE COMMITTEE ON HOUSING

Majority Report: Do pass. Signed by 4 members: Representatives Miloscia, Chair; Springer, Vice Chair; Kelley and Ormsby.

Minority Report: Do not pass. Signed by 3 members: Representatives Dunn, Ranking Minority Member; McCune and Schindler.

Staff: Robyn Dupuis (786-7166).

Background:

Under the current Human Rights Commission statutes, known as the "law against discrimination," the Legislature declares that the right to be free from discrimination because of race, creed, color, national origin, sex, sexual orientation, or the presence of any sensory,

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mental, or physical disability or the use of a trained dog guide or service animal by a disabled person is a civil right.

In certain real estate transactions, the practice of discrimination because of certain characteristics is illegal. These characteristics include race, creed, color, sex, marital status, national origin, sexual orientation, families with children status, and the presence of any sensory, mental or physical disability or the use of a trained dog guide or service animal by a person with a disability.

The Human Rights Commission is charged with eliminating and preventing such discrimination in: employment; credit and insurance transactions; places of public resort, accommodation, or amusement; and in real estate transactions.

Penalties for unfair practices in real estate transactions include fines up to \$50,000 depending upon the recent existence of any prior unfair practice violations.

A number of other states include language in their statutes to prohibit discrimination in real estate transactions due to an individual's lawful source of income. These states include California, Connecticut, District of Columbia, Maine, Massachusetts, Minnesota, New Jersey, North Dakota, Oregon, Utah, Vermont and Wisconsin.

Summary of Bill:

The civil right to be free from discrimination includes the right to be free from discrimination in real estate transactions due to an individual's lawful source of income.

Discrimination in real estate transactions is a prohibited practice, is illegal, and is further defined as discriminating against the person:

- in the terms, conditions, or privileges of a real estate transaction;
- by refusing or failing to receive or transmit a bona fide offer;
- by falsely representing to a person that a property is not available for inspection, sale, rental, or lease when in fact it is;
- by discriminating in the sale or rental of a property, or to otherwise make a property unavailable;
- by expelling a person from occupancy of real property;
- by inducing a person to sell or rent using representations regarding the entry of a person with certain sources of income; and
- by forbidding or restricting a conveyance or lease.

Every provision in a written instrument relating to real property which restricts the conveyance or occupancy of real property based upon an individual's lawful source of income is void.

"Lawful Source of Income" is defined as verifiable, legal income including income derived from one of the following sources:

- employment;

- Social Security;
- Supplemental Security Income;
- other retirement programs;
- child support;
- alimony; and
- federal, state, local or non-profit administered benefit or subsidy programs, including housing assistance, public assistance, and general assistance.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony:

(In support) It is difficult for individuals and families to find apartments that accept Section 8 vouchers and often the waiting lists are just too long. There is a clear pattern of unfair landlord practices in this area. Discriminating on the basis of an individual's source of income could be an underhanded way of discriminating against people of protected class status, as many persons utilizing Section 8 vouchers are also members of at least one of the existing protected classes under the Washington discrimination laws. The bill has nothing to do with rent control; it just requires that landlords consider potential tenants on an equal basis. Discrimination in this area makes it difficult for low-income people to transition from shelters and other supportive housing programs.

(With concerns) Lawful source of income should be limited somehow so it doesn't include income like gambling debts or gifts.

(Opposed) Accepting vouchers should be a voluntary choice on the part of landlords. The federal Section 8 program specifically states that landlords may participate voluntarily.

Persons Testifying: (In support) Chris Jussero, Lynn Sereda and Michele Thomas, Tenants Union of Washington; Pat Tassoni and Janet Blanding, Thurston County Tenants Union; and Mark Foutch, City of Olympia.

(With concerns) Tim Seth, Olympic Rental Association.

(Opposed) John Woodring, Rental Housing Association of Puget Sound.

Persons Signed In To Testify But Not Testifying: None.