

Please oppose HB 1766

Protecting consumers from discrimination based on lawful source of income

During the past several years, there have been attempts to **require** property owners to accept residents who receive Section 8 vouchers. RHA has repeatedly opposed such mandates for several reasons.

It is inaccurate to say that private landlords will not rent to low income tenants receiving public funds. The Washington Human Rights Commission conducted a study in 1996 and determined there was no need for source of income as a protected class. The housing availability needs of low income persons were being met and they were not being discriminated against in housing.

Section 8 is a federally funded program that is administered by local housing authorities. The local housing authorities are not permitted to waive or vary the rules set down by the federal government. Congress chose to make landlord participation in the Section 8 program voluntary because it recognized that the rules and regulations imposed could be overly burdensome for some landlords.

There are landlords who have experienced significant administrative and financial burdens with the program and should not be forced to participate in it. Below are some examples:

- 1. **Damage deposit:** Currently, a property owner may choose to impose an increased security deposit if the applicant has poor credit or poor rental history. The increased security deposit will protect the landlord in the event the tenant fails to pay his/her rent or causes damage to the rental property. However, if Section 8 becomes a protected class, a landlord who wants to charge an increased security deposit in order to minimize the increased financial risks of renting to a person with poor credit or poor rental history can be charged with illegal discrimination if the person is a Section 8 recipient.
- 2. **Rent increases:** Property owners wishing to increase rent to Section 8 tenants may only raise the rent to the least amount of rent being charged for the same unit no matter what the circumstance may be such as elderly tenant, long term tenant, disabled tenant. This hinders landlords from charging market rate.
- 3. **Renters insurance:** Many property owners require residents to carry renters insurance because it provides liability protection and personal property coverage for residents in the event of an emergency or disaster. Some of our members report that they have been told they cannot require Section 8 residents to have renters insurance.
- 4. **Late payments or changes to tenant's subsidy:** Our members have reported several cases where property owners have not received payments from the housing authority in a timely manner, leaving the property with rent in arrears for quite some time.

One-year lease requirements: The federal regulations that govern the Section 8 program require owners to enter into a one year lease for the initial term of tenancy with a new Section 8 resident. Some owners may not want to bind themselves or their property for a one year term, but will be accused of discrimination if Section 8 recipients are a protected class. Our members report that most owners manage their lease expirations so there are a certain number of each floor plan expiring each month. These caps are based on traffic and other conditions. If an owner is required to always have 12 month leases they lose their ability to effectively manage your business.

Please vote "no" HB 1766

For more information regarding this please contact: John Woodring, Mark Gjurasic, Kathryn Hedrick or Terri Hotvedt.