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House Bill 231
Housing Opportunities Made Equal (HOME) Act
Hearing of the Environment and Transportation Committee, February 4, 2020

SUPPORT

Chairman Barve and Committee Members:

Public Justice Center urges you to vote for a favorable report on HB 231, the HOME Act, which would add “source of income” to the State’s fair housing law. **Please find attached to this testimony a “fact sheet” listing the 68 faith, veteran, advocacy and labor organizations that also urge you to issue a favorable report on the HOME Act.**

1. Landlords often take vouchers in some neighborhoods but not others.

Landlords frequently complain about the “administrative burden” of the voucher program. Yet, when they are asked to identify that burden, it is focused on passing a basic health and safety inspection that they should already pass in order to lease safe properties. They also complain about having to sign a “tenancy addendum”—yet they are unable to identify any provision in that addendum that is particularly burdensome or out of line with industry norms. Further, Maryland’s Court of Appeals has itself recognized that in the vast majority of cases, the administrative burden of participating in the voucher program is insignificant. *Montgomery County v. Glenmont Hills Assocs.*, 402 Md. 250, 278, (2007).

There are also landlords who take vouchers at some locations in primarily lower-income neighborhoods but refuse to take the vouchers in higher income neighborhoods. There is no justification for this kind of discrimination. According to a 2016 survey, at least one large landlord, with over 13 apartment complexes in Baltimore County and numerous others in the region, accepts housing vouchers at some of its apartment complexes such as those in Essex/Middle River, Randallstown and Reisterstown, but refuses them in Towson, Carney, and other areas. These same landlords have adapted to source of income laws in Baltimore City, Baltimore County, Anne Arundel County, Howard County, Frederick County, Montgomery County, and Annapolis. They can reform their discriminatory business practices throughout the state of Maryland. This bill will establish that uniform, non-discrimination standard throughout Maryland.

2. The proposed percentage “cap” amendment sanctions discrimination.

The Maryland Multi Housing Association is pushing for a percentage “cap” amendment that would allow landlords to impose a cap on persons whose source of income includes a voucher. In other words, the amendment would allow landlords to discriminate based on the tenant’s source of income once a certain percentage of the residents of an apartment complex use vouchers to rent their respective units.

Allowing landlords to impose a cap is morally inconsistent with fair housing and civil rights. As a society we would never stigmatize any other protected class (e.g., race, gender, disability) as undesirable and place a cap on the number of individuals from that protected class who could live in an apartment building. Yet, by placing a cap of on voucher holders, the State would stigmatize voucher holders in a way that directly contravenes the equality of opportunity for all people at the center of fair housing law and equal protection.

The percentage cap will make the law less effective and is unnecessary to achieve its purpose. Out of the 16 states and over 91 jurisdictions that have source of income discrimination laws, only Baltimore City chooses to implement it with language that would allow landlords to cap the number of voucher holders. Baltimore City’s cap will expire and sunset in four years. Voucher holders in cities and jurisdictions that have passed source of income bans, from Frederick, MD to San Francisco, CA, gain greater access neighborhoods with lower-poverty rates.¹ These jurisdictions do not have caps. Such a cap is unnecessary and likely counter-productive. By allowing landlords to implement a percent cap, voucher holders will still be turned away once that cap is reached and will remain concentrated in their current areas.

The cap will make the law much more difficult to enforce. The amendment does not provide any means for a fair housing organization to know whether a building has met the percent cap level. If an enforcement organization receives a complaint that an apartment complex is discriminating based on source of income, it will have no way to know whether such discrimination is legal, i.e., whether the apartment complex has met the 10% or 20% figure.

Please issue a favorable report on HB 231. If you have any questions, please contact Matthew Hill, Attorney, Public Justice Center, at 410-625-9409 or hillm@publicjustice.org

¹ Lance Freeman, Yunjing Li, “Do Source of Income (SOI) Anti-Discrimination Laws Facilitate Access to Better Neighborhoods?”, 29 Journal of Housing Studies 1 (2011)



Maryland **HOME** Act
(HOUSING OPPORTUNITIES MADE EQUAL)
(Sponsors: Sen. Smith; Del. Lierman)

What does the legislation do?

- The HOME Act prohibits landlords and other property owners from discriminating against persons seeking housing based on their “*source of income.*”

What does “source of income” mean?

- “Source of income” (SOI) means any *lawful* source of funds used in the rental or purchase of housing. It includes money from: (1) any lawful employment; (2) any government or private assistance, grant, loan, or rental assistance program; (3) any gift, inheritance, pension, annuity, alimony, or child support; and (4) any sale of property.

Why does Maryland need this legislation NOW?

- This legislation will:
 - ➔ Ensure fairness for seniors, working families, veterans, and the disabled seeking housing;
 - ➔ Help create more mixed-income communities and greater affordable housing;
 - ➔ Deconcentrate poverty by opening up housing opportunities in other neighborhoods; and
 - ➔ Ensure better housing and economic opportunities for tens of thousands of Marylanders.

What does this legislation NOT do?

- The bill ***does not*** prohibit a landlord from determining the renter’s ability to comply with lease terms or pay the rent by: verifying the renter’s source and amount of income; evaluating the stability and security of the renter’s income; or evaluating the renter’s tenant history and suitability.
- The bill ***does not*** prevent a landlord from refusing income derived from criminal activity.
- The bill ***does not*** slow down or prevent housing and economic development, as evidenced by other jurisdictions that have passed similar legislation.

Who would benefit from the passage of this legislation?

Source of income discrimination disproportionately affects vulnerable populations: senior citizens, people with disabilities, single mothers, veterans, and lower wage workers.

In Maryland, tens of thousands of families use housing choice (section 8) vouchers (and tens of thousands more are on waiting lists). They include:

- 60 % of voucher households rely on SSI, social security or pensions
- 59% of voucher households include wage or income earners
- 39% of people who benefit from vouchers are children
- 42% of voucher households are single mothers with children ¹

¹HUD Database, Resident Characteristics Report, Tenant Based Vouchers, Dec 31, 2018. <https://pic.hud.gov/pic/RCRPublic/rcrstate.asp>

Do source of income anti-discrimination laws exist in other places?

- **Yes. Howard, Montgomery, Frederick, Prince George, Baltimore, Anne Arundel Counties in MD**, as well as the **Cities of Baltimore, Frederick, and Annapolis** have laws prohibiting source of income discrimination.
- **Across the country, over 16 states**, including Utah, Oklahoma, thirteen other states (CA, CT, DE, ME, MA, MN, ND, NJ, NY, OR, VT, WA, WI) and the District of Columbia have similar laws.
- **Over 91 cities and counties** also have such laws including New York City, Chicago, Philadelphia, Boston, and Seattle. Many have had source of income laws for over 20 years.

National Support for Prohibitions Against Source of Income Discrimination

- “A family’s source of income should never be used as a basis to discriminate against them.” – *former US Department of Housing and Urban Development Secretary Shaun Donovan.*
- In August 2017, the **American Bar Association** adopted a Resolution to urge state and local governments to prohibit source of income discrimination. <https://bit.ly/2ZA9TJh>

The HOME Act Coalition has over 60 members including:

Veterans & Law Enforcement

Fraternal Order of Police – Balt. Co.
Jewish War Veterans of America
National Coalition for Homeless Veterans

Housing Developers/Providers

MD Affordable Housing Coalition (MAHC)
Community Development Network
Housing Authority of Baltimore City
Victory Housing
AHC of Greater Baltimore
Govans Ecumenical Dev. Corp.
MD Assoc. of Housing and Redevelopment Agencies (MAHRA)
Housing Auth. of St. Mary’s Co.
Arundel Comm. Dev. Svcs., Inc.
Community Action Network
Neighbor-to-Neighbor (Balt. Co.)
Baltimore Regional Housing Ptnshp.

Labor

MD & DC AFL-CIO
SEIU of MD and DC

Faith Leaders

MD Catholic Conf.
Baltimore Jewish Council
Baltimore Board of Rabbis
Catholic Justice & Advocacy Councils of St. Mary’s, Charles, Prince George’s, and Mont.
Morning Star Baptist Church
Assistance Ctr. of Towson Churches
MD Presbyterian Church
Immanuel Church of Christ
Beyond the Boundaries
St. Vincent De Paul Peace & Justice Comm.

Community Advocates

Casa de Maryland
BUILD
BRIDGE
MD Senior Citizens Action Network
MD Assoc. of Nonprofit Orgs.
National Alliance on Mental Illness
Mental Health Assoc. of MD
Citizens Planning and Housing Assoc.
Coalition to End Childhood Lead Poisoning
Community Law Center
Jews United for Justice
MD Center on Economic Policy
The Brain Injury Assoc. of MD
MD Assoc. of Centers for Ind. Living
MD Developmental Disability Council
Welfare Advocates

Civil Rights/Housing Advocates

Balt. Co. Communities for the Homeless
Disability Rights Maryland
Streets of Hope – Baltimore County
Equality Maryland
League of Women Voters
The Arc of Maryland
ACLU of Maryland
Homeless Persons Rep. Project
Equal Rights Ctr.
Public Justice Ctr.
Health Care for the Homeless
NAACP State Conference
NAACP of Prince George’s Co., Balt. City and Balt. Co.
Innovative Housing Institute
Job Opportunities Task Force
Mont. Co. Renters Alliance, Inc.
Mont. Co. Human Relations Comm.
The Coordinating Ctr.
Fred. Co. Comms. for the Homeless
Baltimore Neighborhoods Inc.
Marylanders Against Poverty (MAP)
Baltimore Regional Housing Campaign
Nat. Low Income Housing Coalition
IMAGE Ctr. for Ppl with Disabilities

For more information, please contact:

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