

SB 530: The HOME Act – SUPPORT

Testimony of Michele Gilman, Professor of Law and Director, Civil Advocacy Clinic,
mgilman@ubalt.edu, University of Baltimore School of Law
Senate Judicial Proceedings Committee, February 4, 2020

Members of the Senate Judicial Proceedings Committee:

My name is Michele Gilman, and I am the Venable Professor of Law at the University of Baltimore School of Law, where I direct the Civil Advocacy Clinic. The Clinic represents low-income Marylanders in a wide array of civil legal matters, including housing. The Clinic supports SB 530 because it would protect our clients and others like them by extending fair housing protection to residents across Maryland regardless of their legal source of income.

SB 530 would address the critical lack of affordable housing in Maryland

- A lack of affordable housing is one of Maryland's most pressing problems. Of Maryland's extremely low-income rental households, 86 percent spend more than 30 percent of their income on housing.¹
- HUD's Housing Choice Voucher program (commonly known as Section 8), is designed to help bridge the gap between low incomes and the high cost of residential rent by paying the difference between what low-income households can afford and the fair market rent (FMR).²
- The Housing Choice Voucher Program gives poor residents the opportunity to move from areas of high poverty concentration into communities with safe and affordable housing.³
- A groundbreaking Harvard study showed that children in families that used housing vouchers to move to better neighborhoods fared much better as young adults than similar children who remained in extremely poor neighborhoods.⁴
- In 2015, only 81% of housing choice voucher holders in Maryland were using their vouchers.⁵
- In a HUD survey of large Public Housing Authorities across the country, a contributing factor to “unutilized” vouchers was the unwillingness of landlords to accept Housing Choice Vouchers.⁶

¹ National Low Income Housing Coalition, *The Gap: A Shortage of Affordable Rental Homes* (2018).

<https://reports.nlihc.org/gap>

² Regulations of the United States Department of Housing and Urban Development, Office of Public and Indian Housing, 24 CFR 982.1 (2020).

³ Dep't of Housing and Urban Development, *Housing Choice Vouchers Fact Sheet* (2019),

https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/about/fact_sheet

⁴ Chetty, Hendren & Katz, *The Effects of Exposure of Better Neighborhoods on Children: New Evidence From the Moving to Opportunity Experiment* (August 2015), http://scholar.harvard.edu/files/hendren/files/mto_paper.pdf.

⁵ <http://www.cbpp.org/research/housing/national-and-state-housing-data-fact-sheets?fa=view&id=3586#table1>

⁶ Council of Large Public Housing Authorities, et al., *The Section 8 Housing Choice Voucher Program: Making Housing Markets Work for Low-income Families*, at 24 (2001).

- Studies show that that source of income discrimination can be a pretext for discrimination based on race, national origin, or family size.⁷
- A U.S. Department of Housing and Urban Development study confirms that legislation such as SB 530 leads to a reduction in discrimination and overall higher utilization rates.⁸

Anti-Source of Income Housing Discrimination Statutes across the country

- Currently, fifteen states (CA, CT, DE, ME, MA, MN, ND, NJ, NY, OK, OR, UT, VT, WA, WI) and the District of Columbia have housing laws that prevent source of income discrimination.⁹
- In addition, 91 cities and counties across the country, including New York City, Chicago, Philadelphia, Boston, and Seattle have passed similar legislation.¹⁰
- A 2011 U.S. Department of Housing and Urban Development study found that voucher holders had an 11 point increase in utilization rates in jurisdictions that enacted laws prohibiting source of income discrimination.¹¹

Anti-Source of Income Housing Discrimination Laws across the State

- Housing laws already in place in Frederick, Howard, Montgomery, Prince George's, Baltimore, and Anne Arundel Counties – as well as the cities of Baltimore, Frederick, and Annapolis -- prohibit discrimination in residential sales or rentals based on source of income.
- Montgomery County has one of the highest utilization rates (97%) in the country.¹²
- This suggests that the anti-discrimination provision furthers the goals of Congress by making decent, safe, and affordable housing accessible to low-income families and individuals.

Impact of SB 530

- Creates avenues for Housing Choice voucher-holders to turn to when faced with source of income discrimination.
- Makes it more difficult for landlords to deny housing based on race, ethnicity, or disabilities under the guise of voucher discrimination.
- Provides opportunities for very low income families to obtain rental housing outside areas of poverty concentration.

This bill is essential to ensuring that the already tight affordable housing market does not squeeze out low-income tenants. We urge you to pass SB 530.

⁷ See, e.g., Lawyer's Comm. for Better Hous., Inc., *Locked Out: Barriers to Choice for Housing Voucher Holders: Report on Section 8 Housing Choice Voucher Discrimination* at 6, 8 (2002), available at <http://lcbh.org/images/2008/10/housing-voucher-barriers.pdf>. A testing program revealed that some landlords told black testers with housing vouchers that an apartment was not available, while telling white testers with vouchers that the same unit was available. *Id.* at 6.

⁸ Lance Freeman, *The Impact of Source of Income Laws on Voucher Utilization and Locational Outcomes* (Feb. 2011), https://www.huduser.gov/publications/pdf/freeman_impactlaws_assistedhousingrcr06.pdf.

⁹Poverty & Race Research Council, *State, Local and Federal Statutes Against Source of Income Discrimination*, available at http://www.prrac.org/pdf/Source_of_Income_Summary.pdf.

¹⁰ *Id.*

¹¹ Freeman, *supra* note 8, at 11.

¹² *Id.*