



California Rural  
Legal Assistance  
Foundation

## SB 329 (Mitchell):

### *Housing Opportunities Act*

**Summary:** This bill would amend the Fair Employment and Housing Act (FEHA) to clarify that housing vouchers are included within California's prohibition on discrimination based on source of income. This renter protection will help California address its growing homelessness crisis, provide opportunity to families in poverty, and ensure the state can take full advantage of available federal funding.

**Background:** California's severe shortage of affordable housing, coupled with rising rents, contributes to the state's growing rates of homelessness. Local jurisdictions are increasingly turning to housing vouchers and other subsidies as a part of the solution. For these strategies to be successful, it is critical to remove barriers that prevent vulnerable families from accessing quality housing and areas of opportunity.

Over 300,000 families in California receive a Housing Choice Voucher, commonly referred to as "Section 8," to help make rent affordable. Families with Housing Choice Vouchers seek housing in the private market and are required to pay 30% of their income in rent. The Section 8 voucher ensures that the remaining rent is paid to the landlord. Vouchers have a proven record of helping poor and working class families afford rents in a diversity of neighborhoods, ensuring that the most vulnerable residents are not trapped in segregated areas of concentrated poverty or rendered homeless by housing costs. Housing vouchers are a critical part of the nationwide push to end chronic homelessness.

**The Problem:** Under current law, FEHA prohibits discrimination against renters based on their source of income. Regrettably, vouchers are not listed as a protected source of income under FEHA, allowing landlords to refuse to rent to assisted families even if they otherwise qualify for the housing they are applying for based on factors such as their credit and rental history.

After years waiting for a voucher, families who can't find a landlord willing to accept one are forced to return their voucher to the local housing authority. This prevents low-income families from accessing housing in high opportunity neighborhoods that can provide a path out of poverty. Blanket refusal of housing assistance also frustrates efforts to prevent homelessness or rehouse homeless residents. When families are unable to use their vouchers, California may be leaving funding on the table that could help address the state's housing crisis.

**The Solution:** This bill would add housing assistance to the sources of income protected by FEHA. The Lifting Children and Families Out of Poverty Taskforce recommended this as an immediate policy action to address child poverty. At least 11 states prohibit discrimination against voucher holders; several California jurisdictions, including San Francisco, Santa Monica, and San Diego, have passed similar policies, and their benefit is well documented. A recent study concluded these protections increase success rates for renters while improving voucher utilization for local Housing Authorities.

Under this proposal, landlords would still be able to screen tenants for suitability; they simply would not be allowed to refuse a tenant solely on the basis that the tenant intends to use housing assistance to help pay their rent.

#### **Support:**

- Western Center on Law & Poverty (co-sponsor)
- Housing California (co-sponsor)
- California Rural Legal Assistance Foundation (co-sponsor)
- National Housing Law Project (co-sponsor)
- LA County Board of Supervisors (co-sponsor)