

Illinois Human Rights Act Source of Income Amendment Fact Sheet

HB45 – Yarbrough-Froehlich-Graham-Soto-McKeon

SB167 – Martinez-Peterson

The Problem

In Illinois, there is a severe shortage of low-income housing.

- 39% of renters are unable to obtain affordable housing, and over 400,000 families spend over half their income on rent.
- **In Illinois, over 400,000 families, persons with disabilities and senior citizens rely heavily on some form of non-wage income to obtain safe, decent and affordable housing.** Non-wage income includes any lawful income, subsidy or benefit, including SSI, SSD, TANF, child support, and any other federal, state or local public assistance, or rental assistance program.
- Without housing choice voucher assistance, many families, particularly persons with disabilities receiving SSI benefits, would be unable to obtain housing.

Despite the affordable housing crisis in Illinois, many low-income families with the ability to pay rent are unable to access safe and decent housing. ***This happens because landlords discriminate against these families based on their source of income and refuse to rent to them.*** Families with Housing Choice Vouchers are commonly denied housing for this reason. Furthermore, farm workers, a population critical to the economic vitality of Illinois, are often denied housing simply because they derive their income from farm work.

The Solution

While state law prohibits rental discrimination on the basis of race, gender, religion, national origin, ancestry, disability, and marital or familial status, ***landlords are allowed to discriminate against a person solely because of the source of their income.***

- **Prohibiting this discrimination could dramatically improve the chances for seniors, persons with disabilities, farm workers and families with children find safe, decent and affordable housing.** According to a November 2001 Department of Housing and Urban Development study, jurisdictions with laws prohibiting subsidy-based discrimination have a ***12% higher placement rate*** for vouchers holders when compared to areas without this protection.
- Moreover, in 1999, the U.S. Supreme Court *Olmstead v. L.C.* decision affirmed that people with disabilities have a basic civil right to live in the most integrated community-based setting appropriate to their needs. Without the ability to freely utilize housing assistance, full community integration for people with disabilities cannot be achieved.

The Proposed Bill

This bill would amend the Illinois Human Rights Act by adding a new category of persons protected from discrimination in residential rental real estate transactions: legal source of income. Thus a landlord could not categorically refuse to rent to recipients of any form of legal income.

This proposed law does not mean a landlord would have to accept everyone; a landlord could still use all the same legitimate criteria used in screening every tenant, such as rent payment history, criminal record and references.

For more information, contact: Kate Walz, National Center on Poverty Law, 312-263-3830, ext. 232, katewalz@povertylaw.org or Doug Schenkelberg, Lawyers' Committee for Better Housing, 312-347-7600, ext. 19, dschenkelberg@sbcglobal.net

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MYTHS & FACTS

Many myths regarding the proposed Source of Income Amendment to the Illinois Human Rights Act have been circulated. Here are the facts:

Myth #1

Landlords will have to rent to any person using a Housing Choice Voucher.

Fact

Landlords will **NOT** be required to rent their unit to any and all households using housing choice vouchers. All landlords will still have the right to screen all applicants to assure that they are renting to good tenants. Landlord references, home visits, credit checks, income verification and other methods are all perfectly legitimate tools for a landlord to use in screening and denying potential tenants, *regardless* of their source of income.

Myth #2

The Housing Choice Voucher program is necessarily a voluntary program.

Fact

Twelve other states already protect people from discrimination based on their source of income. Moreover, the courts in these states have held that source of income protection is in line with federal intent for the Housing Choice Voucher program.

Myth #3

Tenants using housing choice vouchers are bad tenants.

Fact

Tenants with housing choice vouchers are some of the most highly scrutinized tenants in the nation. Such tenants have been screened for criminal background, rental history, household verification, and income verification. The vast majority of tenants with housing choice vouchers are good tenants, and they should not be discriminated against with unfair stereotypes.

Myth #4

Landlords are unable to raise rents charged to tenants with housing choice vouchers.

Fact

Landlords can charge whatever rent the market will bear. If the tenant, regardless of their source of income, cannot afford that rent, then the owner does not have to rent to them. *Nothing about this bill forces a landlord to control their rents.*

Myth #5

This bill is only about housing choice vouchers.

Fact

The Source of Income Amendment is about *all* lawful sources of income, which goes well beyond the housing choice voucher program. Over 400,000 individuals utilize some form of non-wage income to achieve self-sufficiency in Illinois, but are often discriminated against for that very reason. This bill is a major step towards eliminating the discrimination that denies tenants safe, decent housing.

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FREQUENTLY ASKED QUESTIONS

What will this amendment do?

This addition to the Illinois Human Rights Act will protect any household from discrimination based on their source of income. "Source of income" means any lawful income, subsidy or benefit with which an individual supports himself or herself and his or her dependents, including, but not limited to, child support, maintenance, and any federal, state or local public assistance, medical assistance, or rental assistance program. This includes Supplemental Security Income (SSI), Temporary Assistance for Needy Families (TANF), SSDI, Mainstream Voucher Holders, and Housing Choice Vouchers (formerly referred to as the tenant-based Section 8 program).

Why is this change needed?

Over 400,000 households in Illinois rely on some form of non-wage income to attain self-sufficiency. Without this assistance, these families would be unable to secure safe, decent, affordable housing. Many of these households utilize SSI, TANF, SSDI, or the Housing Choice Voucher program, which is the largest subsidized housing program in the United States.

In addition, property owners will refuse to rent families simply because of their source of legal wage income. A prime example of this discrimination is farm worker population, a vital component to Illinois' economy. Too many landlords will categorically deny housing to these families due to the type of work they are engaged in, regardless of the qualities as a tenant and their ability to pay.

Currently, 73,000 households in Illinois receive rent subsidies through the Housing Choice Voucher program. This number is growing. When project-based Section 8 building contracts expire, residents of these buildings are given Housing Choice Vouchers. Because more and more project-based contracts are currently expiring without renewal, more people are becoming dependent on the Housing Choice Voucher program. Already, 900 project-based Section 8 households in Illinois have opted out of their contracts.

Source of Income discrimination makes it extremely difficult to use Housing Choice Voucher. Many landlords categorically refuse to rent to voucher recipients. A 2002 Lawyers' Committee for Better Housing study shows that in up to 70% of cases in the Chicago region, landlords refuse to rent to households using Housing Choice Vouchers. This prevents tenants from using vouchers, or forces them to use the vouchers to live in undesirable neighborhoods, far removed from jobs and public transportation. Source of Income discrimination is more likely to happen in low-poverty areas, resulting in further segregation of poverty.

Aren't there many prohibitions against discrimination in rental housing already?

State law prohibits rental discrimination on the basis of race, gender, religion, national origin, ancestry, disability, and marital or familial status, but landlords are still allowed to discriminate against a person solely because of the source of their income. Prohibiting this discrimination would allow people using public assistance to find safe, decent housing.

Do any other jurisdictions provide this type of protection?

Yes. The states of Connecticut, Massachusetts, New Jersey, Maine, Minnesota, Oklahoma, Utah, Vermont, as well as the District of Columbia, and the Illinois cities of Chicago, Morton Grove, Urbana, and Naperville all provide protection for people receiving some form of rental subsidy and/or public assistance.

What impact would source of income protection have on the ability of low-income families to rent apartments?

In the case of Housing Choice Vouchers, a November 2001 Department of Housing and Urban Development study demonstrates that jurisdictions with laws prohibiting subsidy-based discrimination have a 12% higher placement rate for voucher holders when compared to areas without this protection. More over, based on a

1999 rental market analysis, source of income protection would potentially make available an additional 7,000 apartments to Housing Choice Voucher holders in the Chicago region alone.

Some argue that families using income supports are bad tenants. Is this the case?

Tenants with housing choice vouchers are some of the most highly scrutinized tenants in the nation. Such tenants have been screened for criminal background, rental history, household verification, and income verification. Thousands of Illinois households use non-wage income every year to help stabilize their lives, and should not be discriminated against with unfair stereotypes.

With this change, would property owners have to rent to any tenant?

No. Property owners will still be able to do the same type of screening they typically do to assure they are approving good tenants. What property owners *cannot* do is deny a tenant's application *because* of their source of income.

But I thought participating in the Housing Choice Voucher program was voluntary; doesn't this change make it mandatory?

While there is currently no federal mandate that all property owners participate in the program, several states have already instituted similar protections that have withstood court tests. Courts have found that creating this protection is consistent with the purpose and goals of the Housing Choice Voucher program – making sure low-moderate income households have decent, safe and affordable housing.

I know a lot of landlords who would take tenants with a Housing Choice Voucher if the program was well-run. Why should they have to deal with the bureaucracy?

The efficiency of the inspection time, initial payment time, and overall administration in the program are improving. Furthermore, the program gives participating landlords several benefits. For example, even if the tenant is unable to pay her or his portion of the rent, the property owner is still guaranteed the amount the federal government pays.

How much would this change cost Illinois taxpayers?

This amendment requires no state funding, and could result in savings to Illinois taxpayers. The Illinois Department of Human Services spends an average of \$3,400 to shelter a family of three for two months in state-funded shelter, and the average family stays for 8 months. Consequently, more households finding stable housing could translate into significant savings for Illinois taxpayers.

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Illinois Human Rights Act Source of Income Amendment Supporters

Access Community Health Network, Des Plaines
Access Living
AIDS Foundation of Chicago
Bickerdike Redevelopment Corporation
Business and Professional People for the Public Interest
Catholic Charities
Centennial United Methodist Church
Center for Human Rights "La Comunidad"
Centers for Independent Living
CHAC, Inc. – Chicago's Housing Choice Voucher Program
Chicago Area Fair Housing Alliance
Chicago Coalition for the Homeless
Chicago Housing Authority
Chicago Mutual Housing Network
Chicago Rehab Network
Chicago Urban League
Citizen Action
Coalition of Citizens with Disabilities in Illinois
Committee for New Priorities
Community Renewal Society
Corporation for Supportive Housing
DuPage Housing Action Coalition
Evanston Interreligious Sustainability Project
Evanston Neighborhood Council
Heartland Alliance for Human Needs and Human Rights
The Hispanic Chamber of Commerce of Northern Illinois
Hispanic Housing Development Corporation
The H.O.M.E. Board, Rockford
HOPE Fair Housing Center
Housing Choice Partners
Housing Opportunity Development Corporation, Wilmette
Illinois Affordable Accessible Task Force
Illinois Coalition for Adolescent Health
Illinois Coalition to End Homelessness
Illinois Community Action Association
Illinois Department of Human Rights
Illinois Migrant Council
Illinois Network of Centers for Independent Living
Independent Voters of Illinois- Independent Precinct Organization
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South Austin Community Coalition
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South Suburban PADS
Spanish Coalition for Housing
Statewide Housing Action Coalition
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Rogers Park Section 8 Council
United Congregations of Metro East
West Suburban PADS
Wilmette Community Relations Commission
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