



Fair Housing:
It's the Law!

FAIR HOUSING TIP OF THE MONTH

“BAD” CREDIT & SOURCE OF INCOME DISCRIMINATION

CALIFORNIA LANDLORDS CANNOT DISCRIMINATE AGAINST APPLICANTS WHO USE HOUSING VOUCHERS:

Under the California Fair Employment and Housing Act (FEHA), housing providers are not allowed to discriminate against applicants with Section 8 Housing Choice Vouchers or other types of housing assistance. (This specific protection does not exist under the federal Fair Housing Act, though landlords who discriminate against voucher-holders may violate federal law if this practice has an outsize impact on a federally protected category of people, such as people of a certain race or people with disabilities).

In California, when an applicant uses a housing subsidy to cover a portion of their rent, landlords must treat the subsidy like any other source of income.

Some landlords have rejected applicants with Section 8 vouchers due to poor credit scores or lack of credit history, but there are new changes to California law that can help!

Section 8?

No Problem!

NEW CALIFORNIA LAW PROVIDES OPTIONS FOR VOUCHER-HOLDERS WITH POOR CREDIT OR LACK OF CREDIT HISTORY:

Recent changes to California law offer applicants with housing vouchers who have poor or limited credit alternative ways to support their rental applications.

As of January 1, 2024, California requires landlords to give applicants with housing subsidies the option to provide alternative evidence in place of their credit score. This includes proof of benefit payments, pay stubs, bank statements, etc.

Landlords are required to consider the new evidence *instead of* credit history or credit score.



For more information, check the next page! →

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WHAT STEPS CAN YOU TAKE IF YOU HAVE A SECTION 8 VOUCHER BUT YOU HAVE POOR CREDIT OR NO CREDIT HISTORY?

1) GATHER AND SUBMIT PROOF OF INCOME

If you think that a landlord may deny your application because of poor credit or a lack of credit history, consider providing alternative proof that you can cover your portion of the rent. Evidence such as your pay stubs, proof of benefit payments, or bank statement is useful to show that you can cover the rent payment each month. Recurring payments make for better evidence.

You do not need to prove that you can afford to pay the entire amount of the contract rent out of pocket. You only need to show that you can cover the portion of the rent that you will be responsible for under your voucher. If a landlord requires applicants to earn 2 or 3 times the monthly rent amount, they must base that number on the portion of the rent you will actually pay with your voucher.

If you choose to provide evidence of your ability to pay, the landlord must use this evidence instead of your credit. If you need time to gather this information, the landlord must also give you a reasonable amount of time to gather your evidence. However, it is a good idea to have this information ready to submit with your application.

2) IF DENIED, SEND A WRITTEN RESPONSE TO THE LANDLORD

If a landlord refuses to consider evidence that you can pay your portion of the rent, or denies your application in the face of evidence that you can cover your portion of the rent, you can inform the landlord that their refusal is against California law and request that they reconsider your application. You can communicate this verbally, but it is better to make a written response such as an email, text message or letter.

Be sure to keep a copy of all written communications with landlords for your records. If you send an email or a letter, you can also attach the documentation you prepared. Consider also attaching a copy of this "FHIP Tip" or referring the landlord to FAQ #9 in the California Civil Rights Department "Fair Housing and Source of Income FAQ," which can be found at:

[Civil Rights Department: Fair Housing and Source of Income FAQ](https://civildrights.ca.gov/wp-content/uploads/sites/32/2020/02/SourceofIncomeFAQ_ENG.pdf)

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3) FILE A COMPLAINT

If the landlord ignores the proof of your ability to pay rent, or continues to refuse to accept your housing application after you have submitted evidence of your ability to pay, you may want to make a complaint with CRD. CRD investigates incidents of discrimination in housing, including discrimination during the application process. Their intake information can be found at <https://calcivilrights.ca.gov/complaintprocess>.

If you believe the landlord's practice may be disproportionately affecting members of a federally-protected category, you can file a complaint with the U.S. Department of Housing and Urban Development (HUD). To file a complaint with HUD, call 800-669-9777, or visit their complaint site at www.hud.gov/program_offices/fair_housing_equal_opp/complaint-process.

Fair housing laws prohibit discrimination in housing based on the following characteristics: race, religion, national origin, color, sex, familial status, disability, age*, ancestry*, sexual orientation*, source of income*, genetic information*, marital status*, gender identity and expression*, and military and veteran status.*

*Covered under California law, but not federal law. (For most housing, California laws also prohibit discrimination on the basis of citizenship, immigration status and primary language.)

NEED MORE HELP?

You can reach out to a legal aid organization for assistance, such as Mental Health Advocacy Services, Inc. (MHAS). We have experience aiding our clients in contacting prospective landlords regarding housing discrimination. If you have a mental health disability, we may be able to assist you. You can reach the MHAS offices by phone at (213) 389-2077 or by email at info@mhas-la.org.

Please note that the information provided here is meant to help, but it is not a replacement for legal advice and counsel. If you have any questions about your legal situation, **we strongly encourage you to reach out to a legal expert.**