

Source-of-Income Housing Discrimination in Ohio



A Report of the
Ohio Advisory Committee to the
U.S. Commission on Civil Rights

October 2024

Advisory Committees to the U.S. Commission on Civil Rights

The U.S. Commission on Civil Rights has established an advisory committee in each of the 50 states, the District of Columbia, and five U.S. territories. The committees are composed of citizens who serve without compensation. The committees advise the Commission of civil-rights issues in their state or territory that are within the Commission's jurisdiction. They are authorized to advise the Commission in writing of any knowledge or information they have of any alleged deprivation of voting rights and alleged discrimination based on race, color, religion, sex, age, disability, national origin, or in the administration of justice; advise the Commission on matters of their state or territory's concern in the preparation of Commission reports to the President and the Congress; receive reports, suggestions, and recommendations from individuals, public officials, and representatives of public and private organizations to committee inquiries; forward advice and recommendations to the Commission, as requested; and observe any open hearing or conference conducted by the Commission in their states.

Acknowledgments

The Ohio Advisory Committee would like to acknowledge the speakers who presented during the Committee's series of public meetings taking place between February and March 2023, as the Committee worked to understand broad and diverse perspectives on the civil rights impact of source-of-income discrimination in housing. The Committee is also grateful to those who contributed to this work during public comment and via written testimony, and to USCCR intern Kyla McIntire who assisted in the information gathering and drafting of this report.

**Ohio Advisory Committee to the
U.S. Commission on Civil Rights**

The Ohio Advisory Committee to the U.S. Commission on Civil Rights submits this report regarding source-of-income housing discrimination as part of its responsibility to study and report on civil-rights issues in Ohio. The contents of this report are primarily based on testimony the Committee heard during public meetings held via videoconference in February and March of 2023. The Committee also includes related testimony submitted in writing during the relevant period of public comment.

This report begins with a brief background of the issues to be considered by the Committee. It then presents primary findings as they emerged from the relevant testimony, as well as recommendations for addressing areas of civil-rights concern. This report is intended to focus on civil-rights concerns regarding source-of-income housing discrimination in Ohio. The Committee specifically sought to examine the extent to which source-of-income discrimination may demonstrate a disparate impact on housing access on the basis of race, color, sex, disability, age, religion, and/or national origin. The Committee also considered the extent to which specific state or local policies and practices may contribute to identified disparities, as well as alternative practices or recommendations with the demonstrated potential to address such concerns. While additional important topics may have surfaced throughout the Committee’s inquiry, those matters that are outside the scope of this specific civil-rights mandate are left for another discussion.

**Ohio Advisory Committee to the
U.S. Commission on Civil Rights**

Lee Strang,* Chair, *Berkey*

Subodh Chandra, Vice Chair, *Shaker Heights*

David Forte, Vice Chair, *Lakewood*

Scott Gerber, Parliamentarian, *Ada*

Diane Citrino, Immediate Past Chair, *Solon*

Anjali Chavan, Columbus

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Overview

On December 12, 2022, the Ohio Advisory Committee (Committee) to the U.S. Commission on Civil Rights (Commission) adopted a proposal to study source-of-income housing discrimination in Ohio. The focus of the Committee’s inquiry was to examine ways landlords may decline or discourage housing applicants based on their lawful source-of-income, and to understand the impact of source-of-income discrimination on housing stability as well as other broader indicators of social and economic wellbeing. From a civil rights perspective, the Committee sought to consider the impact of source-of-income discrimination on the advancement of fair housing goals and related civil-rights protections.

As part of this inquiry, the Committee heard testimony via a series of web-based video conferences held on February 27, 2023; March 3, 2023; March 20, 2023; and March 29, 2023.¹ The following report results from a review of the testimony provided at these meetings, combined with written testimony submitted during the related timeframe. It begins with a brief background of the issues to be considered by the Committee. It then presents primary findings as they emerged from this testimony. Finally, it makes recommendations for addressing identified civil-rights concerns. This report focuses on source-of-income housing discrimination in Ohio as it relates to fair-housing access and associated civil-rights protections. While other important topics may have surfaced throughout the Committee’s inquiry, matters that are outside the scope of this specific civil-rights mandate are left for another discussion. This report and the recommendations included within it were adopted by a majority of the Committee on September 24, 2024.²

Background

The Fair Housing Act (FHA) was established on April 11, 1968, after President Lyndon Johnson signed the Civil Rights Act of 1968.³ The FHA “prohibits discrimination concerning the sale, rental, and financing of housing based on race, religion, national origin, sex, (and as amended) handicap and family status.”⁴ Alongside preventing housing discrimination, the FHA requires all agencies receiving federal funds “to take meaningful actions, in addition to combating

¹ Meeting records and transcripts are available in Appendix.

Briefing before the Ohio Advisory Committee to the U.S. Commission on Civil Rights, February 27, 2023, (web-based), Transcript (hereinafter cited as “Transcript I”).

Briefing before the Ohio Advisory Committee to the U.S. Commission on Civil Rights, March 3, 2023, (web-based), Transcript (hereinafter cited as “Transcript II”).

Briefing before the Ohio Advisory Committee to the U.S. Commission on Civil Rights, March 20, 2023, (web-based), Transcript (hereinafter cited as “Transcript III”).

Briefing before the Ohio Advisory Committee to the U.S. Commission on Civil Rights, March 29, 2023, (web-based), Transcript (hereinafter cited as “Transcript IV”).

² See Appendix C for Committee Member Statements.

³ U.S. Department of Housing and Urban Development, History of Fair Housing: https://www.hud.gov/program_offices/fair_housing_equal_opp/aboutfheo/history (accessed April 2024). Hereinafter “History of Fair Housing”

⁴ History of Fair Housing.

discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics.”⁵

Source-of-income discrimination is the practice of denying tenant applications based on a prospective tenant’s lawful income source.⁶ Importantly, source-of-income discrimination is not based on the ability to pay for housing but on how an individual intends to pay.⁷ While the United States Fair Housing Act protects classes regarding race, color, national origin, sex, religion, disability, or familial status,⁸ it does not prohibit landlords from refusing tenant applications based on lawful income source. Often, sources of income that are denied include housing choice vouchers—even though many protected classes are disproportionately served by such vouchers.⁹ Other sources of income that may be denied include payments from federal and local programs, short- and long-term rental subsidies, emergency-assistance payments, Social Security Supplemental Security Income (SSI), unemployment-insurance payments, alimony, veteran’s benefits, and disability-benefits payments.¹⁰ The following are some examples of source-of-income housing discrimination:¹¹

- Written statements in rental housing ads saying, "No Section 8" or "No vouchers accepted."
- Oral or written statements from housing providers, such as when a prospective tenant meets with or emails with a landlord and the landlord states they will not accept vouchers.
- Less explicit denials, such as a prospective tenant mentioning they intend to use a housing-choice voucher, and the housing provider intentionally ignoring their correspondence, or falsely claiming that the unit is no longer available.

While current federal law does not prevent landlords from discriminating against prospective tenants based on lawful source-of-income, laws in at least 20 states, the District of Columbia, and

⁵ 42 U.S.C. § 3601 (1968), 24 C.F.R § 5.150 (1968), Exec. Order No. 13,985, 86 Fed. Reg. 7009 (Jan. 25, 2021), Exec. Order No. 13,988, 86 Fed. Reg. 7023 (Jan. 25, 2021), Memorandum for the Secretary of Housing and Urban Development on Redressing Our Nation’s and the Federal Government’s History of Discriminatory Housing Practices and Policies, Daily Comp. Pres. Docs. 67 (Jan. 26, 2021), <https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/26/memorandum-on-redressing-our-nations-and-the-federal-governments-history-of-discriminatory-housing-practices-and-policies/>. See also U.S Dep’t of Hous. & Urban Dev., Affirmatively Furthering Fair Housing, <https://www.hud.gov/AFFH> (last visited Dec. 2022).

⁶ Hatch Testimony, Transcript I, p. 2.

⁷ Keniray Testimony, Transcript I, p. 6 lines 36-41; Remesch Testimony, Transcript IV, p. 3 lines 3-10.

⁸ History of Fair Housing.

⁹ Cunningham, Mary et. al., *A Pilot Study of Landlord Acceptance of Housing Choice Vouchers*, U.S Department of Housing and Urban Development Office of Policy Development and Research, August 2018: <https://www.huduser.gov/portal/sites/default/files/pdf/ExecSumm-Landlord-Acceptance-of-Housing-Choice-Vouchers.pdf> (accessed April 2024).

¹⁰ District of Columbia Office of Human Rights: “Source-of-income” Discrimination in Housing, OHR Guidance No. 16-01, at: <https://nationalfairhousing.org/wp-content/uploads/2017/07/Source-of-income-Guidance-OHR-1.pdf> (accessed April 2024).

¹¹ Hatch Testimony, Transcript I, pp. 2-3; Remesch Testimony, Transcript IV, p. 3.

some cities and counties do.¹² At present, Ohio does not have statewide source-of-income protections, despite previous legislative efforts to enact them:

- House Bill 182 (2021) would have prohibited landlords from “taking certain actions based on a tenant’s or prospective tenant’s lawful source-of-income which include income benefits and subsidy programs such as housing assistance, housing vouchers, and other specified forms of assistance.”¹³ The bill was referred to the Committee on Civil Justice on March 9, 2021 but remains pending at the time of this report.
- House Bill 229 (2019) would have amended sections 4112.01 and 4112.02 of the Revised Code to “prohibit discrimination in rental housing based on lawful source-of-income,”¹⁴ but it failed to pass in Committee on December 31, 2020.¹⁵

Although Ohio does not have statewide source-of-income protections, many Ohio municipalities have enacted their own source-of-income discrimination protections, including but not limited to Akron,¹⁶ Athens,¹⁷ Columbus,¹⁸ Cincinnati,¹⁹ Cleveland Heights,²⁰ Linndale,²¹ South Euclid,²²

¹² Hatch Testimony, Transcript I, p. 3 lines 13-19; Kemple Testimony, Transcript III, p. 3 lines 1-5; Remesch Testimony, Transcript IV, p. 3 lines 11-15. *See* complete updated listing of state, local, and federal laws barring source-of-income discrimination at: <https://www.prrac.org/pdf/AppendixB.pdf>.

¹³ Ohio Legislative Service Comm’n, Office of Research and Drafting: Fiscal Note & Local Impact Statement, <https://www.legislature.ohio.gov/download?key=16433&format=pdf> (last visited Dec. 2022). *See also* H.B 182, 134th Gen. Assemb., Reg. Sess. (Ohio 2021).

¹⁴ H.B. 229, 133rd Gen. Assemb., Reg. Sess. (Ohio 2019).

¹⁵ *Id.*

¹⁶ Akron Ohio, Ordinance No. 112-2021 (2021), https://www.akronohio.gov/cms/resource_library/files/fc2e0656b8e2a782/o_112_2021__amending_and_or_supplementing_title_3_chapter_38_unlawful_.pdf

¹⁷ Athens Ohio, Code of Ordinances 17.01.051 (2022), https://library.municode.com/oh/athens/codes/code_of_ordinances?nodeId=TIT17MUINTA_CH17.01INGE_17.01.051COSOWIQUWA

¹⁸ Columbus Ohio, Ordinance No. 0494-2021 (2021), https://library.municode.com/oh/columbus/ordinances/code_of_ordinances?nodeId=1072662

¹⁹ Cincinnati Ohio, Code of Ordinances, § 740-11 (2022), https://library.municode.com/oh/cincinnati/codes/code_of_ordinances?nodeId=TITVIIGERE_CH740DIREBECISIP_R_S740-11DIAGGOHOALREFO

²⁰ Cleveland Heights Ohio, Ordinance No. 25-2021 (2021), [https://www.clevelandheights.gov/DocumentCenter/View/9029/025-2021-1st?bidId=#:-:text=\(ii\)%20%E2%80%9CSource%20of%20Income,substantiated%2C%20including%20but%20not%20limited](https://www.clevelandheights.gov/DocumentCenter/View/9029/025-2021-1st?bidId=#:-:text=(ii)%20%E2%80%9CSource%20of%20Income,substantiated%2C%20including%20but%20not%20limited)

²¹ Linndale Ohio, Codified Ordinance § 515.03, https://codelibrary.amlegal.com/codes/linndale/latest/linndale_oh/0-0-8913

²² South Euclid, Ohio, Code of Ordinances § 1408, <https://www.prrac.org/pdf/AppendixB.pdf>.

Toledo,²³ University Heights,²⁴ Warrensville Heights,²⁵ Bexley,²⁶ Reynoldsburg,²⁷ Whitehall,²⁸ Wickliffe,²⁹ Yellow Springs,³⁰ and Worthington.³¹

Fair access to high quality housing opportunities has important implications beyond simply providing individuals and families with adequate shelter, including significant impact on educational, health, and economic outcomes.³² A 2016 study by Raj Chetty found that children who have access to higher resourced neighborhoods exhibited a higher likelihood of attending college and experienced higher lifetime earnings.³³ A 2016 Brookings study found that “concentrated housing inequity also disproportionately exposes Black communities to environmental pollutants and isolates black populations from essential health resources such as improved recreational spaces; quality pharmacies, clinics, and hospitals; and healthy food options.”³⁴ In October 2022, an Urban Institute study examined 123 state and local income-protection laws and found that areas where source-of-income laws were enacted saw an increase in accessibility to higher resourced (low poverty) neighborhoods.³⁵ The study also revealed that when source-of-income protection laws were enacted, Black head of households in particular saw greater improvements to housing accessibility in higher resourced (low poverty) neighborhoods.³⁶

²³ Toledo, Ohio, Municipal Code, ch. 54, (2021), <https://nlihc.org/resource/toledo-city-council-passes-source-income-discrimination-and-pay-stay-ordinances>

²⁴ University Heights Ohio, Ordinance No., 2019-16 (2016), <http://prrac.org/pdf/University-Heights-Fair-Housing-Ordinance.pdf>

²⁵ Warrensville Heights Ohio, Codified Ordinance § 113.04 (2022), https://codelibrary.amlegal.com/codes/warrensveillehts/latest/warrensveillehts_oh/0-0-0-2030#JD_113.04

²⁶ Bexley Ohio, Codified Ordinance § 637.02 (2020), https://codelibrary.amlegal.com/codes/bexley/latest/bexley_oh/0-0-0-36197#JD_637.02

²⁷ Reynoldsburg Ohio, Reynoldsburg Code § 503.07 (2022), https://codelibrary.amlegal.com/codes/reynoldsburg/latest/reynolds_oh/0-0-0-69454

²⁸ Whitehall Ohio, Ordinance No. 113-2021 (2024), <https://www.prrac.org/pdf/AppendixB.pdf>

²⁹ Wickliffe Ohio, Codified Ordinance ch. 1103 (2022), https://codelibrary.amlegal.com/codes/wickliffe/latest/wickliffe_oh/0-0-0-33799#JD_1103

³⁰ Village of Yellow Springs Ohio, Ordinance No. 2021-18 (2021), https://www.yso.com/egov/documents/1632421391_49629.pdf

³¹ Worthington Ohio, Ordinance No. 32-2021 (2021), <https://www.worthington.org/ArchiveCenter/ViewFile/Item/3854>

³² Gaitan, Veronica, *How Housing Can Determine Educational, Health, and Economic Outcomes*. September 19, 2018. The Urban Institute, Housing Matters Initiative: <https://housingmatters.urban.org/articles/how-housing-can-determine-educational-health-and-economic-outcomes> (accessed December 2022).

³³ Chetty, R., Hendren, N., & Katz, L. F. (2016). The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Experiment. *American Economic Review*, 106(4), 855–902. <https://doi.org/10.1257/aer.20150572>. See Also: Klaben Testimony, Transcript II, p. 7 lines 23-27.

³⁴ Bowen Matthew, Dayna; Rodrigue, Edward; and Reeves, Richard V. *Time for Justice: Tackling race inequalities in health and housing*. Brookings Institute. October 19, 2016, at: <https://www.brookings.edu/articles/time-for-justice-tackling-race-inequalities-in-health-and-housing/>.

³⁵ The study found that on average it takes approximately 5 years after such protections are implemented for this effect to be notable. Teles, Daniel & Su, Yipeng. *Source-of-income Protections and Access to Low-Poverty Neighborhoods*. Urban Institute. October 2022, at: <https://www.urban.org/sites/default/files/2022-10/Source%20of%20Income%20Protections%20and%20Access%20to%20Low-Poverty%20Neighborhoods.pdf>. Hereinafter cited as: “Teles & Su (2022).”

³⁶ Teles & Su (2022).

Methodology

As a matter of historical precedent, and to achieve transparency, Committee studies involve a collection of public, testimonial evidence and written comments from individuals directly impacted by the civil rights topic at hand; researchers and experts who have rigorously studied and reported on the topic; community organizations and advocates representing a broad range of backgrounds and perspectives related to the topic; and government officials charged with related policy decisions and administering those policies.

Committee studies require Committee members to use their expertise in selecting a sample of panelists that is the most useful to the purposes of the study and will result in a broad and diverse understanding of the issue. This method of (non-probability) judgment sampling requires Committee members to draw from their own experiences, knowledge, opinions, and views to gain understanding of the issue and possible policy solutions. Committees are composed of volunteer professionals who are familiar with civil-rights issues in their state or territory. Members represent a variety of political viewpoints, occupations, races, ages, and gender identities, as well as a variety of backgrounds, skills, and experiences. The intentional diversity of each Committee promotes vigorous debate and full exploration of the issues. It also serves to assist in offsetting biases that can result in oversight of nuances in the testimony.

In fulfillment of Committees' responsibility to advise the Commission of civil-rights matters in their locales, Committees conduct an in-depth review and thematic analysis of the testimony received and other data gathered throughout the course of their inquiry. Committee members use this publicly collected information, often from those directly impacted by the civil-rights topic of study, or others with direct expert knowledge of such matters, to identify findings and recommendations to report to the Commission. Drafts of the Committee's report are publicly available and shared with panelists and other contributors to ensure that their testimony was accurately captured. Reports are also shared with affected agencies to request for clarification regarding allegations noted in testimony.

For the purposes of this study, **Findings** are defined as what the testimony and other data *suggested, revealed, or indicated* based upon the data collected by the Committee. Findings refer to a synthesis of observations confirmed by majority vote of members, rather than conclusions drawn by any one member. **Recommendations** are specific actions or proposed policy interventions intended to address or alleviate the civil-rights concerns raised in the related finding(s). Where findings indicate a lack of sufficient knowledge or available data to fully understand the civil-rights issues at hand, recommendations may also target specific directed areas in need of further, more rigorous study. Recommendations are directed to the Commission; they request that the Commission itself take a specific action, or that the Commission forward recommendations to other federal or state agencies, policy makers, or stakeholders.

Findings

In keeping with their duty to inform the Commission of (1) matters related to discrimination or a denial of equal protection of the laws; and (2) matters of mutual concern in the preparation of

reports of the Commission to the President and the Congress,³⁷ the Ohio Advisory Committee submits the following findings to the Commission regarding source-of-income housing discrimination. This report seeks to highlight the most salient civil-rights themes as they emerged from the Committee’s inquiry. The complete meeting transcripts and written testimony received are included in Appendix A and B for further reference.

Finding I: Ohio lacks adequate affordable housing to meet current demand, and there are no state-wide protections in place to prevent landlords from discriminating against housing applicants based on their lawful source-of-income.

As with many other states, Ohio has seen rising rent and housing prices, which has decreased the affordable housing supply.³⁸ For example, Melissa Benson, a Managing Attorney of the Housing Practice Group at Legal Aid Society of Columbus, testified that between 2021 and 2022, rents in Columbus increased 27%.³⁹ Panelists noted that the impact of the pandemic on the housing market and the expiration of pandemic era eviction protections has exacerbated these conditions, which has further increased the demand for affordable housing and reduced the supply.⁴⁰ As a result, Ohio has seen increased demand for affordable housing programs and rental assistance. The Committee heard repeated testimony that throughout Ohio, Housing Choice Voucher Programs (HCVPs) and other rental assistance programs experience long waitlists and high demand.⁴¹ For example:

- Between July 2020 and November 2022, Cleveland alone saw 27,000 unique applications for emergency rental assistance.⁴²
- In Columbus, there is an estimated shortage of 55,000 affordable housing units⁴³ and 24,000 households are on the waitlist for a Housing Choice Voucher.⁴⁴
- There are 15,000 voucher holders in Cuyahoga County⁴⁵ and an additional 20,000 households on the waiting list.⁴⁶

³⁷ 45 C.F.R. § 703.2.

³⁸ Springs Testimony, Transcript II, p. 6, lines 7-9, testimony citing July 2022 enrollment numbers in the Cincinnati Metropolitan Housing Authority Program.

³⁹ Benson Testimony, Transcript IV, p. 8, lines 13-15, testimony citing “local news reports.”

⁴⁰ Remesch Testimony, Transcript IV, p. 4 lines 2-5 and lines 33-40; Benson Testimony, Transcript IV, p. 8 lines 13-18.

⁴¹ Tighe Testimony, Transcript I, p. 27 lines 13-16; McCray Testimony, Transcript III, p. 11 lines 18-27.

⁴² Remesch Testimony, Transcript IV, p. 5, lines 20-22, The Legal Aid Society of Cleveland.

⁴³ Benson Testimony, Transcript IV, p. 8, lines 16-18, testimony citing data from the Affordable Housing Coalition of Central Ohio.

⁴⁴ Klaben Testimony, Transcript II, p. 7, lines 43-45, testimony citing data from the Columbus Metropolitan Housing Authority.

⁴⁵ Wade Testimony, Transcript IV, p. 15, lines 13-15, testimony citing Cuyahoga Metropolitan Housing Authority Data.

⁴⁶ Wade Testimony, Transcript IV, p. 16, lines 22-24, testimony citing Cuyahoga Metropolitan Housing Authority Data.

Panelists emphasized the importance of securing adequate safe and affordable housing. Dr. Andre Brown, Director of Equity, Diversity, and Inclusion for the Cuyahoga County Board of Health, identified housing as a critical social determinant of health,⁴⁷ and testified that insufficient affordable housing poses a public-health threat.⁴⁸ Dr. Brown explained that housing can protect people from the elements and the spread of disease; as well as inhibit or promote access to healthy foods, better educational institutions, and other community resources.⁴⁹ Thus, housing can contribute to far reaching disparities in health outcomes and result in unequal access to resources based on a community's socioeconomic conditions.⁵⁰

Housing Choice Voucher (HCV) programs provide one solution to mitigate the affordable housing shortages' adverse effects by offering low-income households a path to access adequate housing. HCVs are designed to make private housing stock more affordable and accessible by allocating government funds to cover the difference between the market rent and the tenant's affordable amount.⁵¹ Housing providers often require minimum incomes, such as the industry standard minimum income of three times the monthly rent, to qualify tenants, yet panelists testified that many families cannot meet these income requirements with only their traditional incomes from employment.⁵² Therefore, HCVs can play an important role in expanding access to quality housing for low-income populations.

Erin Kemple, Vice President of Inclusive Community Development and Special Protections at the Miami Valley Fair Housing Center, noted that when conducting source-of-income testing in Montgomery County, only 2 of 15 landlords said they would accept HCVs.⁵³ Indeed, testimony from multiple panelists indicated that the primary obstacle families with vouchers face is finding housing providers that are willing to accept rental assistance as a valid form of income.⁵⁴ In Cuyahoga County, only approximately 50% of households that were admitted to the voucher program found housing with their voucher before its expiration.⁵⁵ Jeffrey Wade of the Cuyahoga Metropolitan Housing Authority explained that units are available in the county, and thus the low

⁴⁷ Brown Testimony, Transcript IV, p. 11, lines 37-38. *Note:* The US Department of Health and Human Services defines "social determinants of health" as "the conditions in the environments where people are born, live, learn, work, play, worship, and age that affect a wide range of health, functioning, and quality-of-life outcomes and risks." See: <https://health.gov/healthypeople/priority-areas/social-determinants-health>

⁴⁸ Brown Testimony, Transcript IV, p. 11, lines 31-33.

⁴⁹ Brown Testimony, Transcript IV, p. 11 line 33 – p. 12, line 4 and p. 12 lines 32-42.

⁵⁰ Brown Testimony, Transcript IV, p. 13 lines 1-26; Klaben Testimony, Transcript II, p. 7 lines 16-22. *Note:* The impact of housing on health and wellbeing is discussed further in Finding V.

⁵¹ Wade Testimony, Transcript IV, p. 15, lines 17-25; Tighe Testimony, Transcript I, lines 34-41.

⁵² Cagg Testimony, Transcript IV, pp. 20-21; Green-Hull Testimony, Transcript II, p. 3, lines 18-23; McCray Testimony, Transcript III, p. 11, lines 32-37; Benson Testimony, Transcript IV, p. 8 line 38 – p. 9 line 2; landlords often count only taxable income and disregard the rest; Collins Testimony, Transcript III, p. 29, lines 9-25: income requirements are based on HUD affordability guidelines and meant to ensure tenant's success, not to be discriminatory.

⁵³ Kemple Testimony, Transcript III, p. 5.

⁵⁴ Keniray Testimony, Transcript I, p. 7, lines 29-44; Tighe Testimony, Transcript I, p. 11, lines 3-10; Springs Testimony, Transcript II, p. 5, line 31-34; Transcript III, p. 28 line 32 – p. 29 line 6; Remesch Testimony, Transcript IV, pp. 4-5.

⁵⁵ Wade Testimony, Transcript IV, p. 26 line 40 – p. 27 line 13.

percentage of families placed in housing with their voucher may suggest affordability problems and discriminatory practices.⁵⁶ Many Housing authorities throughout Ohio acknowledge these challenges and have extended the housing search timeframe, illustrating the difficulty families may face in seeking decent shelter with a voucher.⁵⁷ Voucher holders that are unable to secure housing within the required period of time, typically 90-180 days,⁵⁸ are at risk of losing their voucher and experiencing homelessness, which is a problematic outcome.⁵⁹

Although HCVs are often centered in discussions about source-of-income discrimination, vouchers are not the only source-of-income that may be refused by housing providers.⁶⁰ Some panelists described cases where Veteran's Assistance was denied as a valid source-of-income on housing applications, despite Ohio's Military Status Protection.⁶¹ Others highlighted examples of older adults, people with disabilities, or single parents facing source-of-income discrimination due to their receipt of disability, social security payments, or family support.⁶² As such, all sources of income outside of traditional employment play an important role in housing access. Some jurisdictions have implemented Source-of-income protections to combat these conditions, while other jurisdictions have prohibited such protections, citing concern that they may infringe on housing providers' ability to choose tenants or distort housing market conditions.⁶³ The following sections of this report discuss both disparate impact civil rights concerns for families denied housing due to their source-of-income, as well as administrative challenges and other concerns mentioned by housing providers with respect to source-of-income protection.

Finding II: SOI discrimination demonstrates a disparate impact on several protected classes of individuals and families under fair housing law.

The Fair Housing Act (FHA)⁶⁴ requires the U.S. Department of Housing and Urban Development (HUD) to take action to "affirmatively further the purposes" of fair housing.⁶⁵ In this role, HUD "has long interpreted the Act to prohibit practices with an unjustified discriminatory effect, regardless of whether there was an intent to discriminate."⁶⁶ Under this guidance, housing practices that have a disparate impact on the classes protected under the FHA, regardless of whether these practices were designed to be intentionally discriminatory, may run afoul of the FHA.

⁵⁶ Wade Testimony, Transcript IV, p. 26 line 40 – p. 27 line 13.

⁵⁷ Benson Testimony, Transcript IV, p. 8; Wade Testimony, Transcript IV, pp. 26-27.

⁵⁸ Benson Testimony, Transcript IV, p. 8 lines 35-38; Wade Testimony, Transcript IV, p. 26 lines 40-41.

⁵⁹ Springs Testimony, Transcript II, p. 6, lines 17-33; Lee Testimony, Transcript IV, p. 28, lines 17-22.

⁶⁰ *But see* Jones Cox Testimony, Transcript II, p. 11, lines 12-31. Jones-Cox testified that most landlords accept SSI, retirement, and VA income, it is just HCVs that are frequently rejected.

⁶¹ Green-Hull Testimony, Transcript II, p. 3, lines 24-26; Benson Testimony, Transcript IV, p. 9, lines 16-20.

⁶² Hatch Testimony, Transcript I, p. 2, lines 43-45; Remesch Testimony, Transcript IV, p. 6, lines 11-15; Springs Testimony, Transcript II, p. 20, lines 10-22; Klaben Testimony, Transcript II, p. 7, lines 31-36.

⁶³ Hatch Testimony, Transcript I; Glock Testimony, Transcript I, p. 16; Kemple Testimony, Transcript III, p. 3; Remesch Testimony, Transcript IV, p. 3.

⁶⁴ 42 U.S. Code § 3608.

⁶⁵ 42 U.S. Code § 3608(d) & (e)(5).

⁶⁶ Implementation of the Fair Housing Act's Discriminatory Effects Standard, 78 Fed. Reg. 11460 (Feb. 15, 2013) (codified at C.F.R. pt. 100).

In the following discussion, “disparate impact” refers to source-of-income discrimination practices that may be facially neutral, but disproportionately impact members of one or more protected classes.⁶⁷ “Discriminatory intent” refers to practices where source-of-income discrimination may stem from purposeful discrimination of protected classes.

Disparate Impact

Repeated testimony indicated that SOI discrimination has a disparate impact on federally protected classes⁶⁸ because many of these classes are overrepresented in HCV programs or are otherwise more likely to use non-traditional sources of income to pay for their housing.⁶⁹ The following subsections detail some of the specific protected classes that are disproportionately affected by source-of-income discrimination.

Race, Color, and National Origin

People of color, particularly Black/African American communities, are overrepresented in HCV programs.⁷⁰ Although Black Ohioans make up only 13% of the state’s population, they represent 60% of the state’s HCV program’s participants.⁷¹ This overrepresentation is even more dramatic at the county and city level. For example:

- In Cuyahoga County, 89% of HCV recipients are Black.⁷²
- 80.7% of households using vouchers in Columbus are Black, and 70% in Franklin County as a whole.⁷³
- 86% of voucher recipients in the City of Dayton are Black.⁷⁴

⁶⁷ [Ibid, section 3](#). “Discriminatory Effect Defined”

⁶⁸ Protected Classes under 42 U.S. Code § 3608 include: race, color, national origin, religion, sex (including gender identity and sexual orientation), familial status, and disability.

⁶⁹ Keniray Testimony, Transcript I, pp. 7-10; p. 26; Tighe Testimony, Transcript I, p. 12, lines 37-40; Springs Testimony, Transcript II, p. 6; Klaben Testimony, Transcript II, pp. 7-8; Kemple Testimony, Transcript III, pp. 3-5; Remesch Testimony, Transcript IV, p. 3; Benson Testimony, Transcript IV, p. 11; Green-Hull Testimony, Transcript II, p. 25 lines 34-38.

⁷⁰ Keniray Testimony, Transcript I, p. 31 lines 1-13 citing Department of Housing and Urban Development (2021). *Picture of Subsidized Households*. HUD [Data set]. Available at https://www.huduser.gov/portal/datasets/assths.html#data_2009-2023; Brown Testimony, Transcript IV, pp. 13-14, see Winzer, Taylor “Racism was the primary reason Ohio neighborhoods were redlined, new study shows” Ideastream Public Media (February 2023) at: <https://www.ideastream.org/health/2023-02-02/racism-was-the-primary-reason-ohio-neighborhoods-were-redlined-new-study-shows>.

⁷¹ Keniray Testimony, Transcript I, p. 7 lines 4-8; Tighe Testimony, Transcript I, p. 11 lines 35-44; Remesch Testimony, Transcript IV, p. 3 lines 22-28. See also Department of Housing and Urban Development (2021). *Picture of Subsidized Households*. HUD [Data set]. Available at https://www.huduser.gov/portal/datasets/assths.html#data_2009-2023.

⁷² Remesch Testimony, Transcript IV, p. 3, lines 28-29; Brown Testimony, Transcript IV, p. 13 lines 35-37; Keniray Testimony, Transcript I, p. 10 lines 16-19. See also Department of Housing and Urban Development (2021). *Picture of Subsidized Households*. HUD [Data set]. Available at https://www.huduser.gov/portal/datasets/assths.html#data_2009-2023.

⁷³ Klaben Testimony, Transcript II, p. 7 line 43 – p. 8 line 3, testimony citing participation data from the Columbus Metropolitan Housing Authority

⁷⁴ Kemple Testimony, Transcript III, p. 3 lines 12-21, testimony citing data shared during a debate as part of city efforts to pass source-of-income protection.

This trend is also present in other communities of color. In Lorain County, people identifying as Hispanic are overrepresented in the voucher program: 28% of voucher-program families are Hispanic, while the county's total Hispanic population is only 10%.⁷⁵

People with Disabilities

People with disabilities are also over-represented in HCV programs--households receiving HCVs are much more likely to have at least one member with a disability than households that do not have a voucher.⁷⁶ Further, people with disabilities often receive income from social insurance programs like Supplemental Security Income (SSI) or Social Security Disability Income (SSDI), which are sources of income that may also be denied by housing providers.⁷⁷

Katie Hunt-Thomas, Attorney and Director of Advocacy for the Ability Center of Greater Toledo, testified that the primary housing barriers facing people with disabilities are accessibility and affordability.⁷⁸ Ohio has a lack of disability-accessible housing, and of the accessible housing that is available, it is often newer and more expensive than housing that is not accessible.⁷⁹ In an effort to combat these conditions, HUD has designated specific funds for non-elderly people with disabilities and allowed accommodations for people with disabilities to increase their voucher amount to cover the costs associated with accessible housing.⁸⁰ But, source-of-income discrimination continues to be a barrier for people with disabilities who are seeking accessible housing. When disability-based claims of discrimination have been brought to the courts, rulings have been inconsistent across districts regarding whether voucher use can, in some circumstances, be protected as a reasonable disability-rights accommodation.⁸¹ Ms. Hunt-Thomas emphasized the importance of having consistent local policy to allow people with disabilities to find accessible, affordable housing.⁸²

Families with Children

Families with children and single-parent households are over-represented in HCV programs, and are disproportionately impacted by source-of-income discrimination when seeking affordable housing.⁸³ Erin Kemple noted that in Montgomery County the majority of voucher holders are

⁷⁵ Keniray Testimony, Transcript I, p. 31 lines 2-10, *see also* Healy and Lepley, Housing Voucher mobility in Lorain County. The Housing Center (January 2017), at: <https://www.thehousingcenter.org/wp-content/uploads/2017/02/Lorain-Mobility-Report.pdf>

⁷⁶ Department of Housing and Urban Development (2021). *Picture of Subsidized Households*. HUD [Data set]. Available at https://www.huduser.gov/portal/datasets/assths.html#data_2009-2023, *see also* Keniray Testimony, Transcript I, p. 7 lines 8-9; Tighe Testimony, Transcript I, p. 11 lines 37-39; Green-Hull Testimony, Transcript II, p. 25 lines 34-38.

⁷⁷ Keniray Testimony, Transcript I, p. 33 lines 26-31; Springs Testimony, Transcript II, p. 20 lines 10-22.

⁷⁸ Hunt-Thomas Testimony, Transcript III, p. 7 lines 28-29.

⁷⁹ Hunt-Thomas Testimony, Transcript III, p. 7 lines 29-40.

⁸⁰ Hunt Thomas Testimony, Transcript III, p. 8 lines 3-12 & p. 26 lines 27-40.

⁸¹ Hunt Thomas Testimony, Transcript III, p. 8 lines 13-41.

⁸² Hunt Thomas Testimony, Transcript III, p. 8 lines 9-41.

⁸³ Klaben Testimony, Transcript II, p. 7 lines 37-41; Kemple Testimony, Transcript III, p. 3 lines 17-21; Green-Hull Testimony, Transcript II, p. 25 lines 34-38. *See*: Chetty, R., Hendren, N., & Katz, L. F. (2016). The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Experiment. *American Economic Review*, 106(4), 855–902. <https://doi.org/10.1257/aer.20150572>.

single mothers with children.⁸⁴ Kemple continued that refusal to accept housing choice voucher holders is often used as a proxy to discriminate against women with children.⁸⁵ Several other panelists also described the lived experiences of single mothers and families with children facing hardship when attempting to find adequate housing with a voucher.⁸⁶ Amy Klaben, principal of Strategic Opportunities and Co-founder/ President of Move to Prosper, stated “Women, children, and people of color are disproportionately impacted when landlords are able to choose what type of funds they consider as acceptable for payment of rent.”⁸⁷

“Women, children, and people of color are disproportionately impacted when landlords are able to choose what type of funds they consider as acceptable for payment of rent.”

- Amy Klaben, Strategic Opportunities and Move to Prosper

The impact of source-of-income discrimination is broad, affecting protected classes as well as other vulnerable populations in both urban and rural settings across the state.⁸⁸ In addition disparate impact on the basis of race, disability, and family status, veterans relying on Veteran’s Assistance or Disability Insurance as valid sources of income,⁸⁹ and elderly populations reliant on SSI or HCVs, may also disproportionately struggle to find housing due to source-of-income discrimination practices.⁹⁰

Discriminatory Intent

Testimony reflected that SOI discrimination is sometimes used as a proxy for racial discrimination or discrimination of other protected classes.⁹¹ Speaker Kris Keniray, Associate Director of the Fair Housing Center for Rights & Research, described a 2017 study by her organization that found that housing providers advertising “No section 8” in Cuyahoga County were 26% more likely to deliver unfavorable treatment to Black prospective tenants.⁹² The study found that, while both Black and

⁸⁴ Kemple Testimony, Transcript III, p. 3 lines 17-21 & p. 4 line 4 – p. 5 line 4.

⁸⁵ Kemple Testimony, Transcript III, p. 3 lines 17-21 & p. 4 line 4 – p. 5 line 4.

⁸⁶ Springs Testimony, Transcript II, p. 6 lines 28-33: “A mother of three and her children living in a shelter, struggling to find a housing provider in their voucher’s allotted 90 days”; Ray-Smith Testimony, Transcript II, p. 14 line 10 – p. 15 line 32: Accepted a voucher held by a single mother with children, but due to bureaucratic delays from Housing Authority, tenant eventually had to be evicted because she could not pay rent without HCVP approval of the unit; McCray Testimony, Transcript III, p. 11 lines 38-42: A single mother of two who stated landlords held assumptions that she would ruin the apartment because she had children and was a voucher holder.

⁸⁷ Klaben Testimony, Transcript II, p. 7 lines 37-39.

⁸⁸ Keniray Testimony, Transcript I, p. 31 lines 2-9.

⁸⁹ Green-Hull Testimony, Transcript II, p. 3, lines 24-26; Benson Testimony, Transcript IV, p. 9, lines 16-20.

⁹⁰ Remesch Testimony, Transcript IV, p. 3 lines 11-15; Keniray Testimony, Transcript I, p. 26 lines 5-13; Springs Testimony, Transcript II, p. 6 lines 17-27.

⁹¹ Hatch Testimony, Transcript I; Tighe Testimony, Transcript I, p. 12-13 & p. 31; Green-Hull Testimony, Transcript II, p. 3; Klaben Testimony, Transcript II, p. 7; Kemple Testimony, Transcript III, p. 3.

⁹² Lepley, M., & Mangiarelli, L. (2017). *Housing Voucher Discrimination and Race Discrimination in Cuyahoga County*. The Housing Center for Rights & Research. <https://www.thehousingcenter.org/wp->

white voucher holders were ignored at similar rates, only Black testers received false or limited information about availability, were met with responses stating “We don’t take vouchers,” faced significant delays, or encountered stricter tenant screening procedures.⁹³ Dr. Rosie Tighe, Associate Professor at the Department of Urban Studies in the Levin College of Public Affairs and Education at Cleveland State University, described a study by Chan & Fan (2023) which attempted to disaggregate the impact of race and source-of-income in housing.⁹⁴ The authors found that racial discrimination persists even in contexts outside of the HCV program, with inquiries from black tenants receiving 17% fewer responses compared to white tenants.⁹⁵

Several panelists framed these current examples of source-of-income-based racial discrimination within the historical context of racially discriminatory housing practices, like redlining and exclusionary zoning.⁹⁶ Dr. Brown highlighted a study by Case Western Reserve University that found racism to be the “overriding factor in decisions to redline neighborhoods” in Cuyahoga County, and that the impact of these practices are still visible in public health outcomes today.⁹⁷ Because of historical exclusionary housing practices like redlining, many suburban neighborhoods today are inaccessible to voucher holders because the rents are too high for voucher payment standards.⁹⁸ Data from the Fair Housing Center for Rights & Research showed that Cuyahoga County continues to have deeply segregated neighborhoods and voucher holders are concentrated in non-white, low-income, low-opportunity areas (See Figure 1 below).⁹⁹ These study results indicated that SOI discrimination impedes integration, preserves segregated neighborhood patterns, and confines voucher holders to high poverty neighborhoods with the highest rates of crime, greatest exposure to environmental health hazards, and the lowest educational outcomes.¹⁰⁰

[content/uploads/2017/12/Voucher-and-Race-Discrimination.pdf](#). See also Keniray Testimony, Transcript I, p. 9 lines 29-30. Hereinafter: “Lepley, M., & Mangiarelli, L. (2017).”

⁹³ Lepley, M., & Mangiarelli, L. (2017). See also: Keniray Testimony, Transcript I, p. 9 lines 34-39; Kemple Testimony, Transcript III, p. 5 lines 24-31.

⁹⁴ Chan, E. W., & Fan, Y. (2023). Housing discrimination in the low-income context: Evidence from a correspondence experiment. *Journal of Housing Economics*, 59, 101889. <https://doi.org/10.1016/j.jhe.2022.101889>. Hereinafter: “Chan, E. W., & Fan, Y. (2023).” See also: Tighe Testimony, Transcript I, p. 13 lines 1-4.

⁹⁵ Chan, E. W., & Fan, Y. (2023). See also: Tighe Testimony, Transcript I, p. 13 lines 1-4.

⁹⁶ Tighe Testimony, Transcript I, p. 11; Klaben Testimony, Transcript II, p. 8; Remesch Testimony, Transcript IV, p. 3; Brown Testimony, Transcript IV, p. 14.

⁹⁷ Brown Testimony, Transcript IV, p. 14 lines 15-31; see Perzynski A, Berg KA, Thomas C, et al. Racial Discrimination and Economic Factors in Redlining of Ohio Neighborhoods. *Du Bois Review: Social Science Research on Race*. 2023;20(2):293-309. doi:10.1017/S1742058X22000236.

⁹⁸ Klaben Testimony, Transcript II, p. 8, lines 4-16.

⁹⁹ Healy, L., & Lepley, M. (2016). *Housing Voucher Mobility in Cuyahoga County*. The Housing Center for Rights & Research. <https://www.thehousingcenter.org/wp-content/uploads/2016/02/Cuyahoga-County-Voucher-Mobility-Report.pdf>. Hereinafter: “Healy, L., & Lepley, M. (2016).” See also Keniray Testimony, Transcript I, p. 8 lines 1-12.

¹⁰⁰ Healy, L., & Lepley, M. (2016). See also Keniray Testimony, Transcript I, p. 8 lines 1-12.

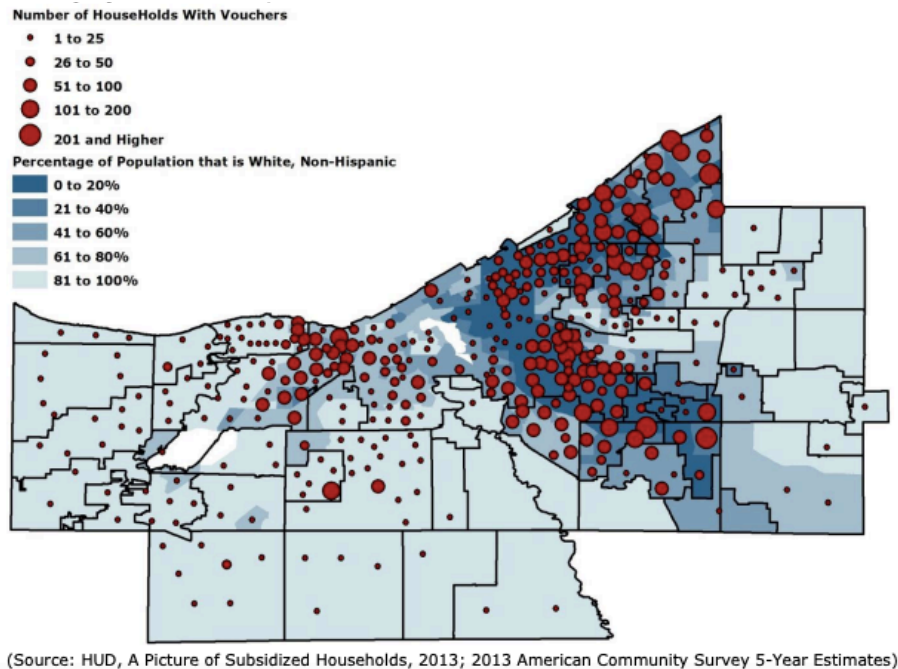


FIGURE 1: KENIRAY TESTIMONY, PANEL I HEARING, SLIDE 24. SOURCE: L. HEALY & M. LEPLLEY (2016). "HOUSING VOUCHER MOBILITY IN CUYAHOGA COUNTY".

Given the evidence of disparate impact and discriminatory intent targeting protected classes, some panelists advocated for state-wide source-of-income protections to promote fair-housing access.¹⁰¹ Panelists cautioned, however, that broader source-of-income protection may cause landlords to seek other ways to screen out tenants they deem undesirable to work with. For example, Dr. Megan Hatch, Associate Professor of Urban Policy and City Management in the Maxine Goodman Levin School of Urban Affairs at Cleveland State University, noted that vouchers are less likely to be denied in areas with source-of-income protection, but housing providers are also less likely to respond to inquiries from people with vouchers when protections are in place.¹⁰² Dr. Judge Glock, Director of Research and a Senior Fellow at the Manhattan Institute, suggested that source-of-income protections may lead to increased racial discrimination because landlords could start using race as a proxy to try to filter out voucher holders from their applicant pool, given negative perceptions many housing providers hold towards HCV program participation.¹⁰³ Landlord experiences with the HCV program are further discussed in Finding III.

¹⁰¹ Tighe Testimony, Transcript I, p. 13 lines 6-19; Klaben Testimony, Transcript II, p. 8 line 41 – p. 9 line 3; Kemple Testimony, Transcript III, p. 2 lines 41-46; Brown Testimony, Transcript IV, p. 13 lines 20-30.

¹⁰² Hatch Testimony, Transcript I, p. 5 lines 5-22; *See also* Faber, J.W. & Mercier, M.D. (2022) Multidimensional discrimination in the online rental housing market: Implications for families with young children. Housing Policy Debate, 1-24. At: <https://doi.org/10.1080/10511482.2021.2010118>

¹⁰³ Glock Testimony, Transcript I, p. 30 lines 19-36.

Finding III: Landlord reluctance to accept housing choice vouchers is based on a variety of factors.¹⁰⁴ Challenges centered primarily on administrative delays posed by some Housing Authorities during the inspection and approval process.¹⁰⁵

Testimony from housing providers asserted that many landlords' refusal to accept vouchers was primarily due to program delays and administrative inefficiencies.¹⁰⁶ HCVs alter the traditional 2-party, landlord/tenant relationship by inserting a housing authority or an administrating not-for-profit to provide rental assistance payments and additional housing safeguards.¹⁰⁷ The additional safeguards¹⁰⁸ implemented by Housing Authorities may extend the leasing timeframe, in comparison to traditional leasing agreements.

HCV Program Approval

Housing providers and their advocates argued that the HCV program's length of time for approval make landlords reluctant to rent to voucher-holding tenants.¹⁰⁹ Sham Reddy, past president of the Greater Dayton Real Estate Investors Association and the Ohio Real Estate Investors Association, stated "it's not the residents and it's not the vouchers, it is just the administrative nightmares of dealing with Section Eight programs."¹¹⁰ The initial HCV approval process takes an average of 6 weeks or more in some jurisdictions, which some panelists stated is unacceptable for housing providers who rely on income from rental properties to sustain themselves.¹¹¹ Panelists noted a large variance in approval time between counties, which creates inconsistent expectations for landlords interacting with HCV programs.¹¹² Melissa Benson noted that delays in the approval process in Columbus have been largely due to the privatization of the Housing Authority's voucher administration, which has increased approval-process times and administrative delays.¹¹³

¹⁰⁴ Hatch Testimony, Transcript I; McCray Testimony, Transcript III, p. 17 lines 17-40.

¹⁰⁵ Tighe Testimony, Transcript I, p. 12 lines 15-25; Glock Testimony, Transcript I, p. 15 lines 8-37; Jones Cox Testimony, Transcript II, pp. 11-12; Dickerson Testimony, Transcript III, p. 9 line 35 – p. 10 line 9; Reddy Testimony, Transcript III, p. 14 & p. 16; Collins Testimony, Transcript III, pp. 22-23. *See also* Garboden, P., et. al. (2018). *Urban Landlords and the Housing Choice Voucher Program—A Research Report*. U.S. Department of Housing and Urban Development. <https://www.huduser.gov/portal/sites/default/files/pdf/Urban-Landlords-HCV-Program.pdf>. Hereinafter "Garboden, P., et. al. (2018)."

¹⁰⁶ Reddy Testimony, Transcript III, p. 13 lines 37-40; Jones-Cox Testimony, Transcript II, p. 12 lines 42-44; Ray-Smith Testimony, Transcript II, p. 13 line 41 – p. 14 line 2; Dickerson Testimony, Transcript III, p. 10 lines 4-9; Colins Testimony, Transcript II, p. 30 lines 21-44; Hull Testimony, Transcript II, p. 27 lines 17-32.

¹⁰⁷ Wade Testimony, Transcript IV, p. 15 line 30 – p. 16 line 2.

¹⁰⁸ 24 C.F.R. § 982.503 (d) (2022) (explaining that Housing Authorities must ensure that housing obtained through the Housing Choice Voucher Program is (1) affordable, consuming no more than 40% of the tenants adjusted monthly income; (2) reasonable in comparison to other non-subsidized units in the rental area; and (3) meets basic safety and habitability standards.) *See also* Cagg Testimony, Transcript IV, pp. 18-20.

¹⁰⁹ Jones-Cox Testimony, Transcript II, p. 12 lines 42-44; Ray-Smith Testimony, Transcript II, p. 13 line 41 – p. 14 line 2; Dickerson Testimony, Transcript III, p. 10 lines 4-9.

¹¹⁰ Reddy Testimony, Transcript III, p. 13 lines 37-40.

¹¹¹ Dickerson Testimony, Transcript III, pp. 9-10 & 18-19; Reddy Testimony, Transcript III, p. 15; Hull Testimony, Transcript II, p. 27 lines 17-32.

¹¹² Reddy Testimony, Transcript III, p. 13.

¹¹³ Benson Testimony, Transcript IV, p. 23 lines 8-20.

HCV Home Inspection Process

Challenges also arise in the HCV inspection process. Inconsistent inspection guidance can delay the approval process and create financial burdens for housing providers, particularly smaller, independent landlords.¹¹⁴ Housing providers repeatedly noted that when initial inspection repairs were completed, follow-up inspections to evaluate those repairs would find new issues that were not flagged in the prior inspection.¹¹⁵ Additional repairs and follow-up inspections were then required, which further delayed the approval process and created additional hurdles for landlords.¹¹⁶ These inspection delays and repeat inspections can result in a financial threat to landlords, especially smaller landlords, who cannot afford to leave their units vacant for extended periods of time throughout the approval process.¹¹⁷ Many independent landlords are also working professionals, and may not have the flexibility in their work schedule to attend multiple housing inspections or complete the additional administrative responsibilities that the HCV approval process requires.¹¹⁸ Dr. Judge Glock cited a HUD survey indicating that small, independent landlords may be more likely to be racial minorities themselves, and thus be more likely to be impacted by the administrative burdens present in the HCV program.¹¹⁹

Delays in inspections can also negatively impact voucher-holders by putting these tenants at risk of homelessness or of losing their voucher if the approval process is not completed before the voucher's expiration. Tiffany Ray-Smith, a housing provider and member of the Real Estate Investors Association of Greater Cincinnati, provided a personal account of how HCV approval delays impacted her and a prospective tenant.¹²⁰ After significant delays in the inspection processes and the prospective tenant facing potential homelessness, Ms. Ray-Smith authorized the tenant to move in while they awaited communication from the Housing Authority for HCV approval.¹²¹ The HCV approval process became so delayed that, after 60 days of receiving no rent payments from the Housing Authority or tenant, Ms. Ray-Smith had to evict the tenant because she could no longer afford to maintain the unit without collecting rent.¹²² Because of similar circumstances, some landlords and tenants may attempt to circumvent HCV rules to avoid administrative delays, losing a voucher, or experiencing homelessness. Destiny McCray, from A One Care Giving Hands, shared the story of a voucher-holding tenant who moved into a unit and signed a lease while the

¹¹⁴ Jones Cox Testimony, Transcript II, pp. 11-12, *See*: Garboden, P., et. al. (2018). Ray-Smith Testimony, Transcript II, pp. 15-16; Reddy Testimony, Transcript III, p. 25; Collins Testimony, Transcript III, p. 23.

¹¹⁵ Ray-Smith Testimony, Transcript II, pp. 14-15; Jones-Cox Testimony, Transcript II, p. 11 lines 39-45; Reddy Testimony, Transcript III, p. 15 lines 13-18.

¹¹⁶ Ray-Smith Testimony, Transcript II, pp. 14-15; Jones-Cox Testimony, Transcript II, p. 11 lines 39-45; Reddy Testimony, Transcript III, p. 15 lines 13-18.

¹¹⁷ Glock Testimony, Transcript I, pp. 14-15; Reddy Testimony, Transcript III, p. 15.

¹¹⁸ Ray-Smith Testimony, Transcript II, pp. 15-16. *See also*: Dickerson Testimony, Transcript III, pp. 20-21; Reddy Testimony, Transcript III, p. 20.

¹¹⁹ Glock Testimony, Transcript I, pp. 14-15. *See*: Garboden, P., et. al. (2018).

¹²⁰ Ray-Smith Testimony, Transcript II, pp. 14-15.

¹²¹ Ray-Smith Testimony, Transcript II, pp. 14-15.

¹²² Ray-Smith Testimony, Transcript II, pp. 14-15.

approval process was in progress.¹²³ When the Housing Authority ultimately denied HCV approval for the unit, the tenant was required to adhere to a lease that was unaffordable for her.¹²⁴

Despite the difficulties associated with the inspection process, many panelists testified that inspections are necessary to guarantee safe and habitable housing conditions.¹²⁵ Low-income housing stock is more likely to have environmental or health hazards than higher-priced housing,¹²⁶ thus the HCV inspection process ensures at-risk tenants have safe and habitable housing when they use vouchers.¹²⁷ This is especially important in rural areas, where municipal building codes may be unenforced or non-existent.¹²⁸ Some testimony noted that HCV inspection requirements are often more lenient than the municipal building codes, meaning that if units adhere to municipal regulations, they should pass HCV inspections without difficulty.¹²⁹ Some panelists offered suggestions for improving the timeliness of inspections by allowing photographic evidence that repairs were made instead of requiring re-inspection.¹³⁰

Impact on Housing Stock

Some panelists voiced concern that source-of-income protections could create market distortions that exacerbate the affordable housing crisis. For example, landlords may choose to increase rent beyond the fair market value to avoid accepting vouchers, this increasing housing prices more broadly.¹³¹ Dr. Judge Glock testified that more widespread voucher use could also drive-up rent prices by increasing demand for housing overall. Glock referenced a study by Susin (2002), that found that increased subsidies from housing vouchers resulted in increased demand for housing and thus raised rent an average of 16%, especially in poor neighborhoods.¹³² Lauren Green-Hull, however, testified that in Akron rents were rising before the implementation of source-of-income protections and that protections have provided low-income families housing access during a time of great need.¹³³

Others raised concern that expanded SOI protections may cause housing providers to change their behavior to avoid renting to voucher-holders. For example, faced with the perceived problems of accepting housing-choice-voucher tenants and added regulation, housing providers may sell their

¹²³ McCray Testimony, Transcript III, p. 12 lines 13-21.

¹²⁴ McCray Testimony, Transcript III, p. 12 lines 13-21.

¹²⁵ Green-Hull Testimony, Transcript II, p. 24 lines 1-12; Klaben Testimony, Transcript II, p. 24 lines 13-19; Keniray Testimony, Transcript I, p. 19; Hunt-Thomas Testimony, Transcript III, pp. 30-31; Remesch Testimony, Transcript IV, p. 7; Benson Testimony, Transcript IV, p. 8: low-income tenants often deal with poor living conditions in the lower cost rentals; Cagg Testimony, Transcript IV, p. 19; Reddy Testimony, Transcript III, p. 30: argued that local building codes should be enough for HCVP approval.

¹²⁶ Brown Testimony, Transcript IV, p. 12

¹²⁷ Wade Testimony, Transcript IV, pp.17-18.

¹²⁸ Lee Testimony, Transcript IV, pp. 28-29.

¹²⁹ Green-Hull Testimony, Transcript II, p. 3 & p. 23; Wade Testimony, Transcript IV, p. 17

¹³⁰ Cagg Testimony, Transcript IV, pp. 22-23.

¹³¹ Hatch Testimony, Transcript I, p. 4 lines 26-30; Klaben Testimony, Transcript II, p. 8 lines 28-30; Dickerson Testimony, Transcript III, pp. 10-11; Lee Testimony, Transcript IV, p. 28.

¹³² Glock Testimony, Transcript I, p. 17, *See*: Susin, S. 2002. "Rent Vouchers and the Price of Low-Income Housing," *Journal of Public Economics*, Vol. 83, No. 1, pp. 109-152. [https://doi.org/10.1016/S0047-2727\(01\)00081-0](https://doi.org/10.1016/S0047-2727(01)00081-0).

¹³³ Green-Hull Testimony, Transcript II, p. 4 lines 23-41.

rental units, lowering the available rental housing stock in protected areas as a result.¹³⁴ This is one reason many panelists urged that SOI protections be made universal (at the state or even national level), instead of by local jurisdiction.¹³⁵

Other Challenges

Other reasons surfaced as potential reasons landlords may avoid tenants with vouchers:

- HCV payment standards fall 10-20% behind market-rate rents, which disincentivizes landlord participation in the program.¹³⁶ Some suggested that subsidies should be based on small area market rates, rather than the averages across the city as a whole, in order to make suburban areas more attainable for voucher holders and ensure payment standards are in alignment with market rents in more expensive (higher opportunity) areas.¹³⁷
- Landlord refusal to accept vouchers could also be associated with persistent landlord perceptions that voucher holders are more problematic tenants than those without vouchers.¹³⁸ Landlords may perceive voucher holders as “risky” because voucher holders’ tenant suitability may be difficult to evaluate without the same landlord references and ability to pay background as other tenants.¹³⁹ Yet others testified that there is no evidence that voucher holders are worse tenants than others.¹⁴⁰ In fact, some witnesses suggested that voucher holders may be “less risky” tenants because they are highly incentivized to adhere to their lease in order to maintain their placement in the voucher program.¹⁴¹
- Jeffrey Wade, Chief of Staff and Special Counsel to the Chief Executive Officer for the Cuyahoga Metropolitan Housing Authority, discussed the widely held misconception that landlords cannot raise rents on tenants with vouchers and that voucher holders are not subject to the same rules as other renters.¹⁴² He clarified that landlords can seek rent increase after one year, but cannot raise rents beyond what the market would bear based on comparable units.¹⁴³

¹³⁴ Hatch Testimony, Transcript I; Glock Testimony, Transcript I, p. 14 & p. 17, Reddy Testimony, Transcript III, p. 14.

¹³⁵ Green-Hull Testimony, Transcript II, p. 24 lines 1-11; Kemple Testimony, Transcript III, p. 4 lines 7-17. *See also* further discussion of the need for universal protection in Finding 5.

¹³⁶ Reddy Testimony, Transcript III, p. 13 line 41 – p. 14 line 3; Benson Testimony, Transcript IV, p. 8: rent increases have made the market rents higher than the voucher spending limits.

¹³⁷ Klaben Testimony, Transcript II, p. 8; Dickerson Testimony, Transcript III, p. 24.

¹³⁸ Glock Testimony, Transcript I, p. 16; Dickerson Testimony, Transcript III, p. 9; McCray Testimony, Transcript III, pp. 11-12, Tighe Testimony, Transcript I, p. 12. *See also*: Cunningham et al. (2018). *A Pilot Study of Landlord Acceptance of Housing Choice Vouchers*. U.S. Department of Housing and Urban Development. <https://www.huduser.gov/portal/sites/default/files/pdf/Landlord-Acceptance-of-Housing-Choice-Vouchers.pdf>; (Cleveland Fed, 2023) Hereinafter: “Cunningham, et al. (2018).”

¹³⁹ Glock Testimony, Transcript I, p. 16; *see* Greenlee, A. J. (2014). More Than Meets the Market? Landlord Agency in the Illinois Housing Choice Voucher Program. *Housing Policy Debate*, 24(3), 500–524. <https://doi.org/10.1080/10511482.2014.913649>.

¹⁴⁰ Wade Testimony, Transcript IV, p. 17 lines 26-37; Tighe Testimony, Transcript I, p. 18 lines 3-15 and p. 12 lines 1-14. *See* Cunningham et al. (2018).

¹⁴¹ Wade Testimony, Transcript IV, p. 17 lines 26-37; Tighe Testimony, Transcript I, p. 18 lines 3-15 and p. 12 lines 1-14. *See* Cunningham et al. (2018).

¹⁴² Wade Testimony, Transcript IV, p. 18.

¹⁴³ Wade Testimony, Transcript IV, p. 18

- Dr. Megan Hatch noted that many who oppose source-of-income protections argue that opening neighborhoods to voucher holders may result in an influx of voucher holders requiring public assistance services, which creates additional burden on communities to provide needed services.¹⁴⁴ She added that no evidence exists to support this claim, and that it is more likely low-income renters with vouchers would replace low-income renters without vouchers in the same housing units.¹⁴⁵
- Housing providers that accept vouchers may face higher property insurance rates or difficulties in obtaining insurance, reinforcing landlord reluctance to accept voucher-holding tenants.¹⁴⁶

As housing authorities work to address administrative challenges, several panelists emphasized the importance of landlord and community education about the HCV program to dispel erroneous beliefs and to encourage landlord participation.¹⁴⁷ A study in Westerville suggested that when landlords are educated about the program and misconceptions are addressed, most are willing to accept HCVs.¹⁴⁸ Some cautioned, however, that education efforts alone are likely insufficient. Instead, a system of robust SOI legal protections, accompanied by appropriate enforcement mechanisms, is likely necessary to achieve the intended fair housing goals and program effectiveness.¹⁴⁹

Finding IV: It is important to address problems in the HCV Program to assure that landlords benefit from participating in the Program.

Despite challenges associated with the HCV program’s administration and approval process, testimony reflected that the HCV program has the potential to be an impactful and successful housing assistance program if certain program challenges are addressed:

- Deborah Collins stated that the HCV program could be “one of the most successful programs of assistance,” though it needs adjustments to benefit both the renter and the landlord.¹⁵⁰
- Gary Wyatt, a Landlord in Akron, acknowledged some of the challenges other landlords have experienced in the HCV program, but spoke at length of his positive experience with the program.¹⁵¹
- Camille Dickerson, a housing provider and member of Akron Canton Real Estate Investors Association, noted that the HCV program challenges center on the length of time to get

¹⁴⁴ Hatch Testimony, Transcript I, p. 4 lines 31-36.

¹⁴⁵ Hatch Testimony, Transcript I, p. 4 lines 31-36.

¹⁴⁶ Tighe Testimony, Transcript I, p. 12 lines 31-35. (there is some evidence the insurance rate differential has been discriminatory, See e.g., *United States of America v. Nationwide Mutual Insurance Co., et al.*, C2-97291 <https://www.justice.gov/crt/housing-and-civil-enforcement-cases-documents-367>.)

¹⁴⁷ Keniray Testimony, Transcript I, p. 32; Green-Hull Testimony, Transcript II, pp. 4-5; McCray Testimony, Transcript III, p. 12.

¹⁴⁸ Klaben Testimony, Transcript II, p. 8.

¹⁴⁹ Hunt Thomas Testimony, Transcript III, p. 27 lines 11-14.

¹⁵⁰ Colins Testimony, Transcript III, p. 29 lines 26-37.

¹⁵¹ Wyatt Testimony, Transcript II, p. 16.

HCV tenants into the units.¹⁵² Once the approval process is complete, she stated that the program and its tenants are “great.”¹⁵³

“I really believe that the housing choice voucher program can be one of the most successful programs and assistance to residents in financial need. It can be an innovative program, and it can be an incredibly helpful to give them the hand up that they might need in a temporary situation to be able to move forward and give them access to areas. It is in desperate need of some changes and revivals.”

- Deborah Collins, Public Comment

Housing Authorities throughout Ohio have acknowledged feedback from housing providers regarding the administrative challenges of the HCV program, and are actively working to address concerns, incentivize participation, and improve their administrative processes. In Cuyahoga County, the Housing Authority is participating in a nationwide demonstration focused on enhancing the voucher program and improving low-income families’ access to low-poverty neighborhoods with quality educational opportunities.¹⁵⁴ The Cincinnati Housing Authority is currently offering \$2,000 to incentivize landlords to join the HCV program.¹⁵⁵ Heather Cagg, Executive Director of the Fairfield Metropolitan Housing Authority, testified that her agency has been working to make improvements based on the feedback from housing providers.¹⁵⁶ The Fairfield Metropolitan Housing Authority now aims to complete each step of the approval process within 48 hours so that the entire process can be complete in 2 weeks.¹⁵⁷ As a result, the Housing Authority is able to issue payments to landlords within 30 days of the approval process initiation.¹⁵⁸ Ms. Cagg acknowledged that this is still not as fast as the approval process for non-voucher holders, but emphasized other benefits associated with HCV program participation.¹⁵⁹

While Housing Authorities continue to make improvements to their programs, current benefits do exist for housing providers that participate in HCV programs.¹⁶⁰ Panelists cited the following benefits that HCV program participation offers landlords:

- **Inspections:** Housing advocates testified that, although contentious, inspections could benefit landlords by ensuring that the tenant is maintaining the property in a habitable condition.¹⁶¹ Properly and expeditiously done, inspections also ensure that the property

¹⁵² Dickerson Testimony, Transcript III, p. 18-19.

¹⁵³ Dickerson Testimony, Transcript III, p. 18-19.

¹⁵⁴ Keniray Testimony, Transcript I, p. 19.

¹⁵⁵ Springs Testimony, Transcript II, p. 6.

¹⁵⁶ Cagg Testimony, Transcript IV, pp. 19-20.

¹⁵⁷ Cagg Testimony, Transcript IV, pp. 19-20.

¹⁵⁸ Cagg Testimony, Transcript IV, pp. 19-20.

¹⁵⁹ Cagg Testimony, Transcript IV, pp. 19-20.

¹⁶⁰ Wade Testimony, Transcript IV, p. 16 lines 4-16; Wyatt Testimony, Transcript II, p. 16 lines 35-42; Cagg Testimony Transcript IV, p. 20 lines 4-14.

¹⁶¹ Wade Testimony, Transcript IV, p. 16 line 36 – p. 17 line 2; Wyatt Testimony, Transcript II, p. 17 lines 9-12.

conditions remain in alignment with local regulations and are routinely assessed for compliance.¹⁶²

- **Pre-screened Tenants:** The HCV program application can provide a tenant pre-screening for landlords, which offers housing providers an added assessment for seeking quality tenants.¹⁶³
- **Large Tenant Supply:** The HCV program’s applicant pool contains a large market of renters seeking housing, meaning that HCV program landlords have access to a steady supply of tenants to occupy their units.¹⁶⁴
- **Ease in Lease Enforcement:** Navigating lease enforcement may be less strenuous with HCV tenants in comparison to other renters because voucher-holding tenants are highly incentivized to adhere to lease agreement so as not to jeopardize their placement in the HCV program.¹⁶⁵
- **Support from Housing Authorities:** Housing authorities provide additional resources and support to participating landlords.¹⁶⁶

In addition to the above listed benefits, some panelists stated that because vouchers can enable tenants to move to their preferred neighborhoods, these tenants are incentivized to stay longer, which reduces turnover costs to landlords.¹⁶⁷ Sham Reddy of the Dayton Realtor’s Association testified that he has voucher-holding tenants and clients who have voucher-holding tenants who stay in the same units for 8-15 years: “they love them.”¹⁶⁸ Katie Hunt-Thomas noted that people with disabilities are similarly likely to stay in a unit once they have secured housing because it is very difficult to find accessible housing with a voucher.¹⁶⁹ Amy Klaben provided evidence from Move to Prosper, a three-year initiative that empowers very low-income families and their children to gain economic security and end generational poverty through access to educational resources and rental supports.¹⁷⁰ She noted that landlords renting to Move to Prosper tenants reported annual savings in reduced turnover costs of \$1,000-\$2,000.¹⁷¹

Further, even in times of widespread economic stress, voucher-holding tenants can provide consistent and stable rent payments.¹⁷² For example, voucher holders provided increased financial stability for landlords during the COVID-19 pandemic due to their ability to continue making rent payments while non-voucher holders could not.¹⁷³ When renting to HCV participants, landlords get direct-deposit check from housing authorities which ensures timely and consistent rent

¹⁶² Wade Testimony, Transcript IV, p. 16 line 36 – p. 17 line 2; Wyatt Testimony, Transcript II, p. 17 lines 9-12.

¹⁶³ Wade Testimony, Transcript IV, p. 16 lines 29-35.

¹⁶⁴ Wade Testimony, Transcript IV, p. 16 lines 20-28.

¹⁶⁵ Wade Testimony, Transcript IV, p. 24 lines 21-28; Cagg Testimony, Transcript IV, p. 20 lines 25-32.

¹⁶⁶ Wade Testimony, Transcript IV, p. 17 lines 14-16; Cagg Testimony, Transcript IV, p. 20 lines 6-14.

¹⁶⁷ Hatch Testimony, Transcript I, p. 4 lines 14-18; Keniray Testimony, Transcript I, p. 18 line 41 – p. 19 line 8.

¹⁶⁸ Reddy Testimony, Transcript III, p. 20 lines 27-30.

¹⁶⁹ Hunt Thomas Testimony, Transcript III, p. 26 lines 23-26.

¹⁷⁰ Klaben Testimony, Transcript II, p. 9 lines 4-16.

¹⁷¹ Klaben Testimony, Transcript II, p. 10 lines 7-10, *See* Reece, Jason & Young Lee, Jee, *Move to Prosper Final Program Evaluation Report*, February 2023, at: https://familiesflourish.org/wp-content/uploads/2023/10/MTPFinalEvaluationReport03_10_23-1.pdf, slide 61

¹⁷² Tighe Testimony, Transcript I, p. 12 line 7-10; Kemple Testimony, Transcript III, p. 21 lines 23-25; Collins Testimony, Transcript 3 p. 22 line 40 – p. 23 line 5; Benson Testimony, Transcript IV, p. 23 lines 18-20.

¹⁷³ Wyatt Testimony, Transcript II, p. 16 line 30 – p. 17 line 16; Collins Testimony, Transcript III, p. 22 lines 40-43.

payments from voucher holders.¹⁷⁴ In traditional rent agreements, if a tenant's income changes, the landlord may be at risk for missed rent payments or loss of tenancy due to inability to renew a lease or eviction. If a voucher-holding tenant's income changes, the voucher amount can be adjusted by the Housing Authority to continue providing the same compensation to the landlord and allow the tenant to continue residing in the unit, which benefits both the landlord and tenant.¹⁷⁵

Panelists offered that expanding efforts to encourage landlords to participate in the HCV program by educating them about this array of benefits could be an effective way to increase participation.¹⁷⁶

Finding V: Source-of-income protections are intended to advance broader fair housing goals and improve the effectiveness of housing assistance programs.

The Effectiveness of Housing Assistance

Utilization rates, or the number of issued housing vouchers that are actually used, can serve as an important measure of how effective housing authorities are in implementing their voucher programs.¹⁷⁷ In jurisdictions with SOI protections, housing authorities report higher voucher utilization rates than those without protections, indicating that people are more able to find housing and use their voucher in these jurisdictions.¹⁷⁸ While some panelists raised concerns regarding lacking or inconsistent data to support this claim,¹⁷⁹ a study of five markets by HUD found significantly higher denial rates in the two markets without SOI discrimination protection, than in the two with SOI protections (the fifth market had a mix of both jurisdictions with and without SOI protection).¹⁸⁰ Erin Kemple of the Miami Valley Fair Housing Center testified that in jurisdictions with SOI protections, housing authorities spend a higher percentage of their allocated housing budget on vouchers, further indicating greater program efficiency in these areas.¹⁸¹ Kemple projected that an additional 7,500 families in Ohio could receive housing assistance via

¹⁷⁴ Wade Testimony, Transcript IV, p. 16; Cagg Testimony, Transcript IV, p. 20 lines 4-5.

¹⁷⁵ Wade Testimony, Transcript IV, p. 16 lines 4-16.

¹⁷⁶ Keniray Testimony, Transcript I, p. 32; Green-Hull Testimony, Transcript II, pp. 4-5; McCray Testimony, Transcript III, p. 12; Hunt Thomas Testimony, Transcript III, pp. 26-27.

¹⁷⁷ Wade Testimony, Transcript IV, p. 27.

¹⁷⁸ Hatch Testimony, Transcript I, p. 3 line 39 – p. 4 line 8; Kemple Testimony, Transcript III, p. 3 line 38 – p. 4 line 17 & p. 21 lines 27-38; Remesch Testimony, Transcript IV, p. 5 lines 28-31; Klaben Testimony, Transcript II, p. 8 lines 5-11; Wade Testimony, Transcript IV, p. 18 lines 18-20; Green-Hull Testimony, Transcript II, p. 4 lines 11-14 & p. 19; Thomas Testimony, Transcript II, p. 30 lines 4-18. *See also* Cunningham et al. (2018).

¹⁷⁹ Ellen, I. G., O'Regan, K. M., & Harwood, K. W. (2022). *Advancing Choice in the Housing Choice Voucher Program: Source-of-income Protections and Locational Outcomes* (SSRN Scholarly Paper 4102425). <https://doi.org/10.2139/ssrn.4102425>. *See* Glock Testimony, Transcript I, p. 14 lines 1-9.

¹⁸⁰ Cunningham et al. (2018), p. 31. *See also* Klaben Testimony, Transcript II, p. 8 lines 5-11; Bell, Alison, et al. Prohibiting Discrimination Against Renters Using Housing Vouchers Improves Results. *Center on Budget and Policy Priorities*. December 20, 2018, at <https://www.cbpp.org/research/housing/prohibiting-discrimination-against-renters-using-housing-vouchers-improves-results>.

¹⁸¹ Kemple Testimony, Transcript III, p. 4 lines 23-40.

the voucher program if all of Ohio’s Housing Authorities utilized similar percentages of their allocated budgets to those jurisdictions with SOI protections.¹⁸²

Persistent historical patterns of racial and economic neighborhood segregation may also be affected by SOI protections, or the lack thereof. A 2016 study of the Fair Housing Center for Rights & Research suggested that SOI discrimination impedes integration and leads to more segregated communities.¹⁸³ The Center’s study found that voucher holders in Cuyahoga County are concentrated in high-poverty, high-crime neighborhoods with high exposure to environmental hazards and low educational outcomes.¹⁸⁴ Despite the HCV program’s aim to move low-income and minority individuals from highly concentrated poverty areas to regions offering better opportunities,¹⁸⁵ only 14% of families with children in the HCV program reside in low-poverty neighborhoods.¹⁸⁶ Panelists testified that lower voucher denial rates are associated with greater choice and increased mobility to higher opportunity areas for voucher holders.¹⁸⁷ Notably, when voucher-denial rates decrease, voucher holders have an easier time finding housing and may be able to use their vouchers to move to places that were previously inaccessible to them, encouraging opportunities for economic mobility and neighborhood integration.¹⁸⁸

Enforcement and Implementation

In order for SOI protections to be effective, panelists emphasized that laws must be consistent across the state and uniformly enforced.¹⁸⁹ Erin Kemple of the Miami Valley Fair Housing Center explained that when some jurisdictions have SOI protections and others do not, high concentrations of voucher holders are pushed into the same low-income neighborhoods, which undermines fair housing goals and perpetuates neighborhood segregation.¹⁹⁰ And inconsistent protections across jurisdictions makes it more difficult for housing authorities to communicate rules with housing providers and enforce compliance with those rules.¹⁹¹

Panelists illustrated the importance of ensuring that any SOI protections include well-defined enforcement mechanisms.¹⁹² In jurisdictions that implement SOI protections without clear

¹⁸² Kemple Testimony, Transcript III, p. 4 lines 31-40.

¹⁸³ Healy, L., & Lepley, M. (2016). *Housing Voucher Mobility in Cuyahoga County*. The Housing Center for Rights & Research. <https://www.thehousingcenter.org/wp-content/uploads/2016/02/Cuyahoga-County-Voucher-Mobility-Report.pdf> Hereinafter: “Healy, L., & Lepley, M. (2016).” See also Keniray Testimony, Transcript I, p. 8, lines 1-12; Tighe Testimony, Transcript I, p. 22.

¹⁸⁴ Healy, L., & Lepley, M. (2016). See also Keniray Testimony, Transcript I, p. 8, lines 1-12.

¹⁸⁵ Hatch Testimony, Transcript I; Green-Hull Testimony, Transcript II, p. 4; Springs Testimony, Transcript II, p. 5; Klaben Testimony, Transcript II, p. 7; Remesch Testimony, Transcript IV, p. 3 & p. 5; Brown Testimony, Transcript IV, pp. 13-14.

¹⁸⁶ Tighe Testimony, Transcript I, p. 11 (see CBBP 2021 Study).

¹⁸⁷ Hatch Testimony, Transcript I, p. 4 line 46 – p. 5 line 3; Green-Hull Testimony, Transcript II, p. 4 lines 11-14; Klaben Testimony, Transcript II, p. 7 lines 27-36.

¹⁸⁸ Klaben Testimony, Transcript II, p. 7.

¹⁸⁹ Green-Hull Testimony, Transcript II, p. 24 lines 1-11; Kemple Testimony, Transcript III, p. 4 lines 7-17; Tighe Testimony, Transcript I, pp. 10-11; Klaben Testimony, Transcript II, p. 9.

¹⁹⁰ Kemple Testimony, Transcript III, p. 5.

¹⁹¹ Kemple Testimony, Transcript III, p. 5 lines 35-39.

¹⁹² Keniray Testimony, Transcript I, p. 18; Benson Testimony, Transcript IV, p. 11: must include investigation process and testing program.

enforcement, discriminatory practices often persist despite these protections.¹⁹³ Melissa Benson of the Legal Aid Society of Columbus recounted the experience of 61 voucher-holding tenants at a local apartment complex in Columbus who received notice in January of 2023 that their vouchers would no longer be accepted. This notification was served to tenants despite a citywide SOI protection ordinance in place (*see* Figure 2).¹⁹⁴

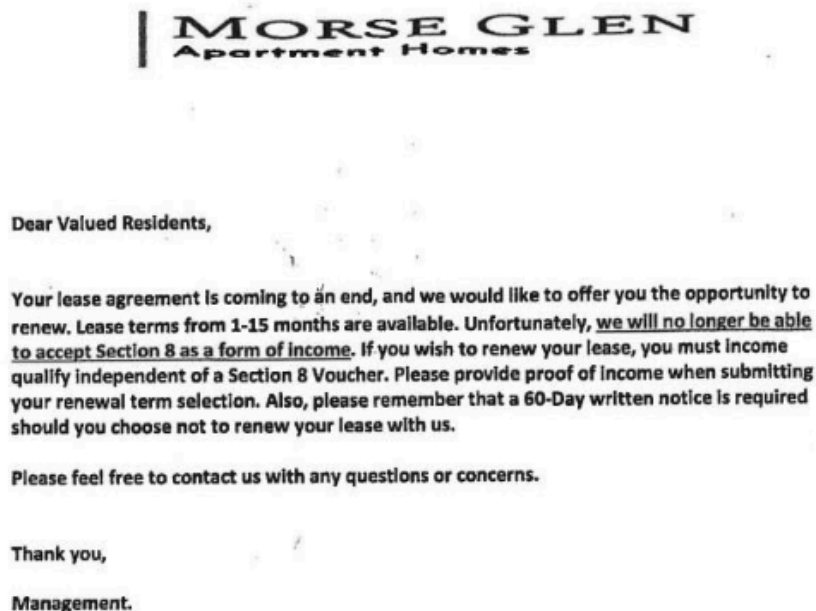


FIGURE 2: BENSON TESTIMONY, PANEL IV HEARING, SLIDE 25. SOURCE: LETTER FROM MORSE GLEN APARTMENT HOMES EXHIBITING SOURCE-OF-INCOME DISCRIMINATION.

Benson noted that Columbus’ SOI ordinance is a criminal statute with no civil right of action, which makes enforcement difficult because there is no set procedure for investigating or prosecuting violations.¹⁹⁵ In Columbus, there is also no clear method for tenants to report violations or request the city investigate.¹⁹⁶ Following a warning issued by city attorneys, management at the apartment complex eventually reversed policy and revoked this notice.¹⁹⁷ But the event illustrates the need for consistent and clear enforcement mechanisms to prevent housing providers from violating SOI ordinances.¹⁹⁸

¹⁹³ Hatch Testimony, Transcript I; Green-Hull Testimony, Transcript II, p. 3; Benson Testimony, Transcript IV, pp. 9-11; 21-22.

¹⁹⁴ Benson Testimony, Transcript IV, pp. 9-10 & pp. 21-22.

¹⁹⁵ Benson Testimony, Transcript IV, p. 21 & p. 25.

¹⁹⁶ Benson Testimony, Transcript IV, p. 21 & p. 25.

¹⁹⁷ Benson Testimony, Transcript IV, pp. 9-10 & pp. 21-22.

¹⁹⁸ Benson Testimony, Transcript IV, pp. 9-10 & pp. 21-22.

Broader Community Impact

Dr. Andre Brown of the Cuyahoga County Board of Health testified regarding the broader social impact that housing location and access to resources can have on health outcomes, educational outcomes, and life expectancy.¹⁹⁹ He described a 2019 study of the Center for Community Solutions which found a 23-year life expectancy gap between two neighboring communities near Cleveland, even though these communities were located only 2 miles apart (*see* Figure 3).²⁰⁰ Dr. Brown emphasized that housing choice vouchers paired with source-of-income protections can move people to these areas of opportunity, giving them access to better resources and better life outcomes as a result.²⁰¹

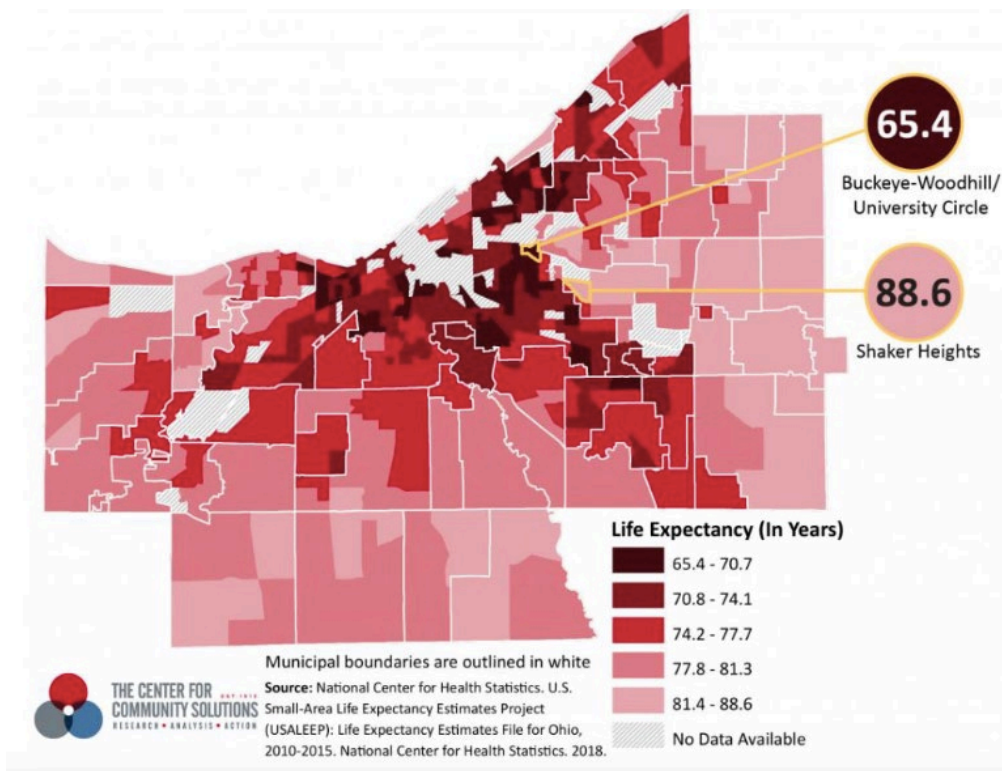


FIGURE 3: BROWN TESTIMONY, PANEL IV HEARING, SLIDE 52. SOURCE: K. WARREN & J. AHERN (2019). “THE POORER YOUR NEIGHBORHOOD, THE SHORTER YOUR LIFE”.

Other panelists provided similar testimony regarding the benefits of increased housing mobility towards higher-opportunity areas.²⁰² For example, Amy Klaben of Strategic Opportunities, LLC described a 2016 study by Raj Chetty found that children whose families used a federal housing-

¹⁹⁹ Brown Testimony, Transcript IV, p. 13.

²⁰⁰ Warren, K., & Ahern, J. (2019). *The Poorer Your Neighborhood, the Shorter Your Life*. The Center for Community Solutions. <https://www.communitysolutions.com/resources/life-expectancy-race-ohio>. See also Brown Testimony, Transcript IV, p. 13 lines 1-19.

²⁰¹ Brown Testimony, Transcript IV, p. 13.

²⁰² Hatch Testimony, Transcript I, p. 3 lines 39-45, p. 4 line 46 – p. 5 line 1; Brown Testimony, Transcript IV, p. 13 lines 20-30; Klaben Testimony, Transcript II, p. 7 lines 17-27; Tighe Testimony, Transcript I, p. 22 lines 8-14.

choice voucher to reside in higher-opportunity neighborhoods before the child's teenage years exhibited a higher likelihood of attending college, and earned 31% more in annual income, resulting in a lifetime income increase of \$300,000.²⁰³ Panelists argued these data suggest that housing-choice voucher programs, paired with SOI protections, can help to combat generational poverty and promote broader economic mobility.²⁰⁴ Dr. Brown noted that access to higher opportunity areas offers a variety of resources that can positively impact quality of life, including:

- better air and water quality
- less exposure to substance use, violence, and crime
- less police surveillance
- better access to transportation
- greater access to healthy food
- higher-quality schools and educational resources

Destiny McCray, a HCV recipient, shared that receiving this support expanded opportunities for her economic growth and allowed her to obtain additional education while caring for her children.²⁰⁶ Katie Hunt-Thomas of the Ability Center of Greater Toledo noted that vouchers are particularly vital to moving people with disabilities who wish to be in the community out of institutions, and that SOI protections help expand housing opportunities available for individuals with disabilities.²⁰⁷ Securing higher quality housing with a voucher may also be particularly important in rural communities where affordable housing is limited and the low-income housing stock may be more prone to health and environmental hazards.²⁰⁸

²⁰³ Chetty, R., Hendren, N., & Katz, L. F. (2016). The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Experiment. *American Economic Review*, 106(4), 855–902. <https://doi.org/10.1257/aer.20150572>. See also Klaben Testimony, Transcript II, p. 7 lines 23-27.

²⁰⁴ Klaben Testimony, Transcript II, p. 7; Kemple Testimony, Transcript III, p. 5 lines 35-39.

²⁰⁵ Brown Testimony, Transcript IV, p. 12.

²⁰⁶ McCray Testimony, Transcript III, pp. 11-12.

²⁰⁷ Hunt-Thomas Testimony, Transcript III, p. 8.

²⁰⁸ Green-Hull Testimony, Transcript II, p. 4 lines 11-14 & p. 19.

Recommendations

Among their duties, advisory committees of the Commission are authorized to advise the Agency (1) concerning matters related to discrimination or a denial of equal protection of the laws under the Constitution and the effect of the laws and policies of the Federal Government with respect to equal protection of the laws, and (2) upon matters of mutual concern in the preparation of reports of the Commission to the President and the Congress.²⁰⁹ In keeping with these responsibilities, and given the testimony heard on this topic, the Committee submits the following recommendations to the Commission:

1. The U.S. Commission on Civil Rights should:
 - a. Apprise the American people that source-of-income discrimination in housing exists and that it can significantly affect the ability of people to have adequate shelter.
 - b. Apprise the federal and state governments that source-of-income discrimination in housing is a problem that needs to be addressed.
2. The U.S. Commission on Civil Rights should issue the following recommendation to the United States Congress:
 - a. Create an incentive program to repair older and lower cost rental housing.
 - b. Provide immediate cash assistance to help households stay in their current housing if they choose (reduce/prevent evictions).
 - c. Provide tax and other incentives and supports for landlords participating in the Housing Choice Voucher program.
 - d. Expand funding to provide more money for housing vouchers so that a greater proportion of eligible households can get help.
3. The U.S. Commission on Civil Rights should issue the following recommendation to the U.S. Department of Housing and Urban Development:
 - a. The Department should take active measures to recruit and better support landlords, particularly small landlords with fewer than 25 units of housing, with education about the benefits of participating in the HCV program, and provide financial incentives to support participation and offset the loss of rental income that occurs while the rent offer, inspection, and Housing Assistance Payments Contract occurs to make HCV program applicants more competitive with market-rate applicants.

²⁰⁹ 45 C.F.R. § 703.2 (2018).

- b. Urge the State of Ohio and Public Housing Authorities (PHAs) to support housing providers by providing education about the positive aspects of renting to HCV program participants and aid housing providers in overcoming any obstacles in the form of an ombudsman service.
 - c. Require PHAs to streamline inspections of housing units selected by voucher holders by requiring housing authorities to inspect units in a timely manner, for example, the PHA might specify that an inspection should occur within 12 business days of a request to do so.
 - d. Provide for standardization and consistency in the inspection process. This may include, as appropriate, development of internal manuals for inspectors; education and training of inspectors; or rulemakings for the inspection process.
 - e. Support PHAs to improve channels of communication with housing providers, provide more clarity and consistency in the inspection process, and offer training to familiarize housing providers with the HCV program and its process.
 - f. Update HCV program payment standards to be based on Small Area Fair Market Rent rates rather than on averages across the metropolitan area as a whole to encourage more voucher holders to be able to move to areas with lower poverty rates and higher opportunity.
 - g. Adjust voucher amounts to keep up with rising housing costs.
 - h. Upon request by an owner, require that PHAs inspect and pre-approve housing units for prospective voucher holders.
 - i. Support education programs to inform housing providers that they should treat all applicants and tenants equally regardless of their source-of-income.
 - j. Allow Housing Assistance Payments funds to be used to pay for deposits and damages.
 - k. Include landlord perspectives and voices in plans for improvements/remedies to challenges rather than top-down issued guidance.
 - l. Fund fair housing testing to ensure that voucher holders who are in protected classes are not discriminated against in their housing searches.
4. The U.S. Commission on Civil Rights should issue the following recommendation to the Ohio Governor and General Assembly:
- a. Amend ORC 4112.02(H) to include source-of-income protection among protected classes in the sale and rental of housing.

- b. Request that Ohio's PHAs better support HCV program participants by increasing outreach and support to property owners to increase landlord participation in the program, expediting rent offers, inspections, and contracting to minimize the loss of rental income when renting to a household with a voucher, providing up-to-date lists to participants of known voucher-accepting housing providers, extending the time limit to secure a unit, offer general case management and one-on-one support, particularly for larger participating households who may struggle to find larger units and households including persons with disabilities who may struggle to identify housing providing necessary accessibility features, and help with security deposits and other non-lease fees.
- c. Support education programs that inform housing providers that they should treat all applicants and tenants equally regardless of their source-of-income.
- d. Ohio should develop and implement a pilot rental-cash subsidy program. The pilot program would provide payment to Ohioans who meet specified income requirements in the amount of the market rate for rental units. Landlords who accept payment through this program would not be allowed to discriminate based on source-of-income and legally protected categories. But no other existing housing-choice-voucher restrictions shall apply to such landlords. The pilot program would operate in one or more of the five most populated jurisdictions in Ohio and in one or more of the less-populous jurisdictions.
- e. After a reasonable period, Ohio would provide a study of the program to the General Assembly and the Commission on whether and to what degree the program provided housing opportunities.

Appendix

A. Briefing materials²¹⁰

- a. Transcript
- b. Agenda
- c. Minutes
- d. Panelist Presentations (PPT)
- e. Other records

B. Written Testimony²¹¹

- a. Amy Klaben, Building Welcoming Communities
- b. Camille Dickerson, Educator and Consultant
- c. Deborah Collins, Real Estate Investors of Greater Cincinnati
- d. Peggy Lee, Southeastern Ohio Legal Services

C. Committee Member Statements

- a. Diane Citrino, Concurring (with Subodh Chandra, joining)
- b. Mark Strasser, Concurring

²¹⁰ Briefing materials available at: <https://usccr.box.com/s/csqs8f5gw01eyagkzwaokaljk43w7ufr>.

²¹¹ Written testimony available at: <https://usccr.box.com/s/is8ho3qkzu1wfp8eg6xvknhnuvlfddg8>.

Appendix C: Committee Member Statements

Concurrence in Support of Report, Diane Citrino, Immediate Past Chair

Joining: Subodh Chandra, Vice Chair

Your zip code should not determine your life expectancy. In Ohio, people living a few miles from one another have vastly different life outcomes because access to housing means more than just a roof over your head: your home's location also dictates how close you are to adequate groceries, educational opportunities, public transportation, and job opportunities.

While access to affordable housing is limited throughout Ohio, the burden of finding safe and affordable housing is particularly hard for lower-income Ohioans. The Housing Choice Voucher program (formerly known as Section 8) is a federal program that subsidizes rent to allow people with limited means to pay 30% of their income to private landlords while the government pays the remaining rent to the housing provider. The success of the program is limited in part because in Ohio many housing providers may legally refuse to accept people as tenants who have Housing Choice Vouchers. This currently legal type of discrimination means that even when a voucher holder finds a vacant affordable home, the landlord may tell them that they will not accept the voucher as payment. This is one form of source of income discrimination that our report documented in Ohio. The discrimination falls disproportionately on people with disabilities, families with children, and people of color. The lack of landlords who will accept vouchers means that many vouchers are not able to be used, wasting valuable resources.

Our report on source of income discrimination recommends that Ohio amend its law on housing discrimination to include source of income discrimination as a protected class, in the same way that race, disability status, and religion (among others) are protected. Amending the law would help lift Ohioans from areas of concentrated poverty to areas of opportunity, and in so doing, would benefit Ohio's children. One study cited in our report showed that moving children, particularly young children, could change the entire trajectory of the child's life. Voucher holders tend to stay in their homes for longer periods of time. The stability that comes with being able to remain in a secure home, rather than face homelessness, changes lives.

Our committee heard that there were problems with the Housing Choice Voucher program in some jurisdictions. We tried to suggest ways to improve how the Housing Choice Voucher program is administered. While the program is imperfect, the efficacy of the program would be increased by mandating that source of income discrimination be outlawed in our state and an effective means of enforcing the law be provided using the existing framework of Ohio's antidiscrimination laws.

I would like to thank the many people whose work contributed to this powerful report highlighting the important issue of source of income discrimination in Ohio. I hope the recommendations outlined will be adopted and move our state closer to housing justice for all Ohioans.

Concurrence in Support of Report, Mark Strasser, Committee Member

I support the Committee's recommendations as a general matter including the proposal in 4(d) that Ohio develop and implement a pilot program. However, landlords accepting payments through this pilot program should not be "exempted from all existing housing choice voucher restrictions" other than the restriction on discrimination based on "source of income and legally protected categories." First, the breadth of this exemption is unclear, making the participants subject to unspecified risks. Second, even were this exemption interpreted to provide only an exemption from inspection requirements, such an exemption would increase the likelihood that Ohioans participating in the pilot program would not be living in safe and habitable housing. Perhaps the Ohio pilot program could modify the deadline by which the inspection had to take place, so that neither landlords nor those seeking housing would be forced to wait too long before the premises could be occupied, but the State should not adopt (and the Committee should not recommend) a pilot program that subjects participants to unspecified risks including a provision that increase the likelihood that Ohioans would be living in (and Ohio would be paying for) premises that are not safe and habitable.

**Ohio Advisory Committee to the
United States Commission on Civil Rights**



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