Source of Income Protection Legislation

In a Nutshell

Source of Income (SOI) Protection legislation helps protect people who use government assistant programs from discrimination. Public assistance may include Section 8 Vouchers/Fair Choice Housing Vouchers, Social Security, TANF, and other forms. SOI is not protected under the Fair Housing Act. States and local governments supplement their fair housing laws to include source of income protection. Source of income protection gives those receiving housing assistance the opportunity to live in better and more sustainable housing.

The “How To”

Protecting residents against Source of Income (SOI) discrimination is important for the welfare of neighborhoods. Source of income discrimination may have adverse effects on welfare families, including the children and their education. Income discrimination may restrict families from living in opportunity-rich neighborhoods.

SOI is not protected under the Fair Housing Act. The Fair Housing Act makes discrimination on the basis of race, color, national origin, relation, sex, religion, gender, and disability illegal. The Federal Fair Housing Act does not prohibit discrimination based on source of income. Discrimination may take place when a landlord or real estate agent fails to make housing available to a prospective tenant because they receive government assistance, including unemployment compensation, food stamps, Temporary Assistance for Needy Families, Federal Housng Choice Vouchers/Section 8 Housing Vouchers and Social Security. State and local governments supplement their laws and ordinances to include SOI protection.

There are plenty of examples of Source of Income Protection legislation, several of which are under the “Planning & Zoning” tab.

Planning & Zoning

The City of St. Louis has a SOI protection ordinance.

Thirteen States have added SOI protection provisions, many of which are under human rights laws. The language in each statue varies, but the overall idea and message of the law remains the same. Common terms used include “source of income,” “public assistance,” and “recipient of federal, state or local assistance.” States with these provisions include:

Oklahoma- Title 25, Section 1452

Massachusetts- Chapter 151 b, Section 4

Minnesota- Chapter 363 A. 09

Cities outside of the St. Louis area with SOI protection ordinances include:

Chicago- Fair Housing Ordinance

Keeping the Promise: Preserving and Enhancing Housing Mobility in the Section 8 Housing Choice Voucher Program is an article by the Poverty & Race Research Action Council, and it includes examples of other states and cities with laws and ordinances related to Source of Income Protection. The document includes the following information for each law/ordinance reference: operative language, date enacted, relevant case law, enforcement process and attorney's fees.

Dollars & Cents

If a city or county were to pass Source of Income Protection, there will be additional cost associated with enforcing the ordinance or law. These costs can be easily controlled through effective management and enforcement.

Cities and counties should also explore developing Low Income Housing Tax Credits. Tax credits create a lucrative incentive for a developer to build affordable housing.

Measuring Success

HUD and neighborhood housing programs can determine how many people utilize government assistant programs such as Section 8 Voucher/Free Choice Housing Vouchers. These numbers can be compared to other years to find rate of growth, other jurisdictions without laws prohibiting discrimination, and previous years without the statutes.

Discover More

The National Housing Law Project (NHLP) provides information on housing justice issues such as attorney and advocate resource centers, trainings, and webinars. The NHLP offers guidebooks and reports on various federal public assistance programs and federal housing programs.

Cook County, a suburb of Chicago, provided reasons for amending the Cook County Human Rights Ordinance to include Fair Choice Housing Vouchers. The following is an example question taken from the Cook County document that may interest a landlord:

"If a landlord rents his unit to a housing choice voucher holder with a disability, is the landlord responsible for paying to make the unit accessible for the tenant?

No. If a Housing Choice Voucher holder with a disability has been accepted for a unit that would need modification for it to be accessible, it is the responsibility of the tenant to pay for any and all modifications."