

# SOURCE OF INCOME PROTECTION



Housing assistance is a valuable tool for helping families remain stably housed and find secure, affordable housing. Source of income protection will help individuals and families with rental assistance have access to housing on the same basis as those without public housing assistance.

**The Minnesota solution:** Amend the Minnesota Human Rights Act to clarify that housing discrimination based on a person's source of income is illegal

## What is Source of Income Discrimination?

Source of income (SOI) discrimination occurs when a landlord refuses to rent to a housing applicant because of that person's form of income - housing assistance. Laws prohibiting source of income discrimination seek to end this practice. Housing assistance can include a variety of program types, including Bridges, emergency rental assistance, and Section 8/Housing Choice Vouchers.

## Housing Assistance

Housing assistance is a scarce resource that is valuable to households and to property owners.

**For Individuals and Households:** Eligible families and individuals can wait years to get on housing assistance waiting lists, then years more to receive rental assistance for which they qualified long ago. If landlords can discriminate against people who use rental assistance to pay the rent, under-resourced families are denied the opportunity to find safe, stable and affordable homes.

**For Property Owners:** Housing assistance is guaranteed income. Most programs will provide direct payments to landlords, eliminating any issues with late or missed payments. Housing assistance is a valuable support to the stability of rental property operating funds.

## THE BENEFITS OF SOURCE OF INCOME PROTECTIONS:

- Increases usage of rental assistance, a scarce and valuable resource
- Decreases discrimination against individuals and families using a voucher
- Increases access to housing and freedom of housing choice

## Contact us

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## Impact Supported by Research

Research suggests that families have greater success finding housing, and housing authorities have higher rates of utilization of housing vouchers, in jurisdictions with SOI laws. Research from HUD shows families using housing assistance face dramatically lower rates of discrimination in cities and states with strong SOI protections. SOI laws help prevent homelessness, deconcentrate poverty, and expand choice.

## History: Best Practice

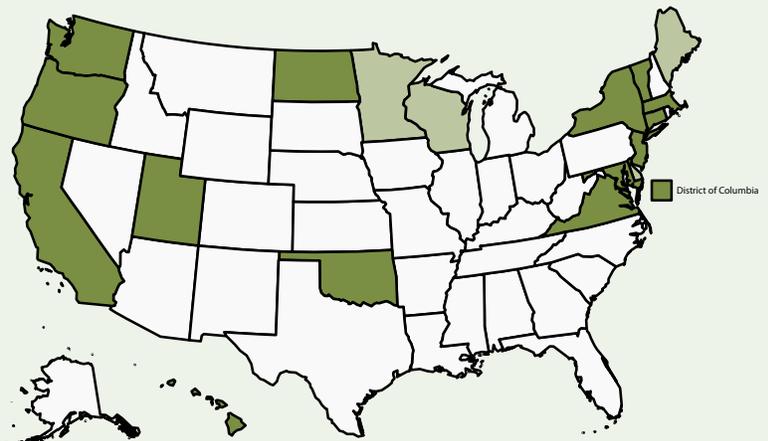
State and local laws have prohibited SOI discrimination for decades, with some laws adopted in the 1970s. Today, 17 states and over 90 local municipalities have SOI protections against discrimination.

### STATES THAT PROHIBIT SOURCE OF INCOME DISCRIMINATION

According to the Poverty & Race Research Action Council, as of November 2020, source of income discrimination laws protected 34% of voucher holders in the U.S. 17 states and 99 municipalities have enacted PSOI laws, and Illinois has a state program that encourages but doesn't require inclusive income practices.

 SOI LAWS  
 LIMITED OR MODIFIED

SOI laws that have been limited by court action or do not cover housing vouchers



## SOURCE OF INCOME DISCRIMINATION IS BAD FOR MINNESOTANS. IT:

- Limits housing choices
- Concentrates poverty
- Limits wealth-building and social mobility
- Creates inequities in everyday life
- Impacts BIPOC communities the most

## Race Equity for Black, Indigenous and Minnesotans of Color

44% of Minnesotans with Housing Choice Voucher assistance are Black or African American. Denial of vouchers by some landlords excludes under-resourced Minnesotans, and particularly Black Minnesotans, from opportunities that can offer economic security and upward mobility. This is a race equity issue important to Minnesota.