

Date of Hearing: April 23, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 282 (Pellerin) – As Amended April 10, 2025

Policy Committee:	Housing and Community Development	Vote:	8 - 2
	Judiciary		9 - 3

Urgency: No State Mandated Local Program: No Reimbursable: No

SUMMARY:

This bill provides that it does not constitute “source of income” discrimination under the housing provisions of the Fair Employment and Housing Act (FEHA) for a landlord to establish policies or preferences in favor of an applicant or tenant that qualifies or participates in federal, state, or local housing subsidy programs, including, but not limited to, federal housing assistance vouchers issued under Section 8 of the United States Housing Act of 1937.

FISCAL EFFECT:

The Civil Rights Department (CRD), which has enforcement authority under FEHA, does not anticipate this bill will result in a significant increase in complaints filed with the department and, therefore, estimates costs to be minor and absorbable.

CRD notes, however, if the bill does result in a significant increase, CRD would require additional program staff and administrative resources. Further, CRD may require additional resources if this bill is one of several bills that each by itself would be minor and absorbable, but cumulatively would increase CRD’s workload.

COMMENTS:

1) **Purpose.** According to the author:

The Housing Choice Voucher Program is a vital tool for low-income families seeking stable housing, yet many continue to face barriers in the private rental market. This includes blatant refusal from some landlords to rent units to tenants with a voucher. While landmark legislation in 2019 sought to eliminate discrimination based on source of income, it unintentionally prohibited preferences that could benefit voucher holders. [This bill] seeks to clarify the law by allowing housing providers to prioritize tenants with rental assistance, expanding housing opportunities for low-income families.

2) **Background.** FEHA prohibits discrimination in employment and housing on the basis of several protected characteristics, including a person’s “source of income.” Although a landlord may require evidence that an applicant has a particular amount of income – to ensure their ability to pay rent – the landlord may not discriminate as to the source of that income. More recently, SB 329 (Mitchell), Chapter 600, Statutes of 2019, amended the

definition of “source of income” to expressly include government rental subsidies, including Housing Choice Vouchers (formerly known as “Section 8” vouchers). FEHA requires CRD to enforce specific provisions of FEHA, including discrimination based on “source of income.”

According to the Assembly Committee on Judiciary’s analysis, SB 329 was enacted in response to studies showing that some landlords, for a variety of reasons, refused to rent to voucher holders, and sometimes even advertised as much. SB 329 sought to prevent discrimination against applicants who relied on housing subsidies by clearly providing that “source of income” discrimination included refusing to rent to voucher holders, solely because they relied upon vouchers. However, in expressly defining “source of income” to include rent subsidies, SB 329 may have unintentionally created a presumption that, just as a landlord could not refuse to rent to a person solely because that person depended upon vouchers, a landlord could not discriminate in favor of a voucher holder without violating the source-of-income provisions under FEHA.

This bill amends the definition of “discrimination” to clarify that while FEHA prohibits using “source of income” to discriminate against an applicant or tenant, it does not prohibit a landlord from establishing policies and preferences that favor an applicant or tenant who qualifies for or participates in federal, state, or local housing programs, including Housing Choice Vouchers.

- 3) **Arguments in Support.** This bill is supported by a variety of low-income housing advocates. The Housing Authority of the County of Santa Cruz, cosponsor of the bill, asserts SB 329 unintentionally prohibited housing providers from establishing a preference for renting to participants in rental assistance programs. They state this prohibition “limits the extent to which housing providers can expand housing opportunities for low-income renters participating in rental assistance programs, which is counter to the original intent of [SB 329].
- 4) **Arguments in Opposition.** This bill is opposed by the Southern California Rental Housing Association, who expresses concern this bill creates preferential treatment based on income sources, thus creating housing access for government-assisted tenants at the expense of other groups who also face significant barriers to securing housing. They assert this bill “could lead to unintended consequences that erode fair housing principles and exacerbate disparities in housing access.”

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