

# Fair Housing Newsletter

Reeping you current on fair housing news and issues



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## White House Releases "Blueprint for a Renters Bill of Rights"

On January 25, 2023, the Biden White House released a White Paper titled "The White House Blueprint for a Renters Bill of Rights." The paper outlines key principals and steps federal agencies are or will be taking to further those rights. The key principals are:

- Guarantee safe, accessible, and affordable housing for renters;
- Mandate clear, concise, and fair rental leases;
- Offer education, enforcement, and enhancement of renter rights;
- Create the right for renters to organize; and
- Provide eviction prevention, diversion, and relief for renters.

Some of the areas of focus include ensuring background checks are conducted fairly and prohibiting

landlords from evicting tenants for arbitrary reasons. It also provides for legal counsel for tenants who are being evicted.

It is important to understand this paper is not a law. It is not a proposed law. It does not constitute binding guidance. It's intent is to



support the development of policies and practices that promote fairness to tenants.

Note From the Editor: February is the month for love. Just make sure love doesn't turn into sexual harassment. Need sexual harassment training? Just give me a call or drop me an email. Training can be arranged to fit your time and place.



#### HUD Publishes New Proposed Rule on Affirmatively Furthering Fair Housing

The U.S. Department of Housing and Urban Development has published a Notice of Proposed Rulemaking in the Federal Register. The proposed rule would apply to government and applicable housing providers who are required to have an Affirmatively Furthering Fair Housing (AFFH) plan.

Under the proposed rule, program participants would submit an Equity Plan to HUD for review every five years. That plan, which must be developed following "robust community engagement," would contain an analysis of fair housing issues in their communities, goals, and strategies to remedy those issues, as well as a description of community engagement. The proposed rule would then require program participants to incorporate goals and strategies from their Equity Plans into planning documents.

In addition, program participants would be required to conduct and submit to HUD annual progress evaluations that describe progress toward and/or any needed modifications of each goal in the Equity Plan. Both the Equity Plans and the annual progress evaluations would be posted online. The proposed rule includes provisions that permit members of the public to file complaints with HUD if program participants are not living up to their AFFH commitments and various other provisions that enable HUD to ensure that program participants are held accountable for complying with this rule.

HUD seeks public comment on this proposed rule and invites all interested parties and members of the public to submit their views, comments, and recommendations for improvement for this proposal. Comments may be submitted electronically through <u>www.regulations.gov</u>.

#### ALJ Orders Texas Landlord to Pay over \$140K in Race Discrimination Case

A Texas landlord has learned his fate after he refused to allow a Black applicant to rent a room in his home, stating his wife would not be comfortable with the applicant living in the house. The result, an Administrative Law Judge (ALJ) has ordered him to pay over \$140K.

The landlord in this case owned a two-story, five bedroom home in Plano, Texas. The landlord and his wife resided in the master bedroom on the ground floor and rented some or all of the four upstairs bedrooms to other people. When an applicant inquired about renting a room, the landlord asked her to send a picture of herself. She refused. Regardless, the landlord agreed to show her the room. When she

arrived at the home, the landlord did not allow her inside the home. Instead, he stated that his wife would not be comfortable with her living in the house because she was Black and all the other people living in the house were Asian professionals. According to the landlord, the applicant "would just make the house uncomfortable."

The applicant filed a complaint with the U.S. Department of Housing and Urban Development (HUD). After an investigation, HUD found evidence of discrimination and referred the case to an



ALJ for trial. After the ALJ received the case, the landlord filed a state lawsuit against the applicant claiming she was engaging in slander and abuse of process. The landlord's case was dismissed and the case pending before the ALJ was amended to add a claim of retaliation.

After a hearing on the merits of the case, the ALJ ordered the landlord to pay the applicant \$79,782.75. In addition, the landlord was ordered to pay \$49,472 in civil penalties and \$11,394.61 in attorneys' fees.



#### WHERE FAIR HOUSING AND Landlord tenant laws intersect

## Housing Crossroads Webinar

# It's a Zoo Out There

# Tackling the Rules of Pets vs. Support Animals

#### Wednesday, February 22, 2023 10:00 a.m. - 11:30 a.m. central

It is often impossible to tell the difference between a pet and a support animal. However, when it comes to the rules that apply, you must know the difference. Applying a pet policy to a support animal will get you sued. One policy or addendum does not fit all.

In this webinar, we will discuss the different polices and addendum provisions that a landlord may apply to pets and which he/she may apply to support animals. We will discuss:

- Understanding the Difference
- Addendum or Policy
- Breed / Weight Restrictions
- Areas that are Off-Limits
- Cleaning Up
- Damages & Deposits
- Plus Much, Much, More





Nathan Lybarger Law Office of Hall & Associates

**Speakers** 



Angelita Fisher Law Office of Angelita E. Fisher

#### NFHA files Source of Income Complaint Against Memphis Landlords

The National Fair Housing Alliance (NFHA) filed a fair housing complaint with the U.S. Department of Housing and Urban Development (HUD) alleging housing providers in Memphis have refused to accept Section 8 vouchers. According to the complaint, this refusal violates a City of Memphis Fair Housing Ordinance and causes a disparate impact on Blacks in violation of the Fair Housing Act.

While the Section 8 program is considered voluntary, may states and municipalities have added "source of income" to their fair housing laws. As a result, any landlord doing business in one of these states or municipalities must accept a Section 8 voucher. Memphis is one of these municipalities. The state of Tennessee does not prohibit source of income discrimination, but the city of Memphis does.

When the NFHA found out there were properties in Memphis advertising they did not take vouchers, they began testing. They made calls and sent individuals to the properties to inquire about



taking a voucher. The properties stated they would not accept a Section 8 voucher.

Following the investigation, the NFHA filed a complaint with HUD alleging not only did the properties violate the Memphis ordinance, but also the Fair Housing Act because most of the recipients of Section 8 vouchers in Memphis are black. According to HUD, 96% of voucher holders in Memphis are Black and only 1% are White. Additionally, while race is the only federally protected

class named in the complaint, NFHA's analysis suggests additional protected classes, like families with children, may be adversely impacted by the refusal to accept vouchers.

In sum, while the Section 8 program may be voluntary, a landlord can still find themselves in violation of fair housing laws by refusing to participate in the voluntary program.

## **DOJ Files Statement of Interest in Tenant Screening Case**

The U.S. Department of Justice (DOJ) and the Department of Housing and Urban Development (HUD) announced they have filed a Statement of Interest in a lawsuit currently pending in a federal court in Massachusetts. The case alleges the use of an algorithm-based scoring system to screen potential tenants discriminates against Black and Hispanic rental applicants in violation of the Fair Housing Act.

The case is *Louis et al. v. SafeRent et al.* It was filed on behalf of two Black rental applicants who use housing vouchers to pay part of their rent. The two applicants allege they were denied housing due to their "SafeRent Score." The score is derived from SafeRent's algorithm-based screening software. The two applicants further allege that SafeRent scores result in disparate impact against Black and Hispanic rental applicants because the underlying algorithm relies on certain factors that disproportionately disadvantage Black and Hispanic applicants. These factors include credit history and non-tenancy related debts. It also fails to consider that the use of housing vouchers funded by HUD makes these tenants more likely to pay rent.

Through the Statement of Interest, HUD and the DOJ seek to assist the court by correcting two questions of law they believe have been erroneously represented by one defendant and to assist the court in understanding the Fair Housing Act's application to algorithm-based tenant screening systems. Next step...The court will make decisions on pending motions. Stay tuned...

# **Did You Know?**

You can be personally liable for fair housing violations?

### **Missouri Landlord Pays for Familial Status Discrimination**

The U.S. Department of Housing and Urban Development filed a charge of discrimination on behalf of the family alleging the landlord violated the Fair Housing Act when he denied a single father a unit because of the presence of two young children. The charge was heard by an Administrative Law Judge. The Judge ordered the landlord to pay the family \$10,200 for alternative housing costs and emotional distress and pay civil penalties totaling \$5,500.





### Fair Housing Webinar

# **Recognizing and Accommodating Hoarders**

Wednesday, February 8, 2023 10:00 a.m. - 11:00 a.m. Central

Hoarding has been recognized by the American Psychiatric Association as a mental disorder. What does that mean for landlords? You may have an obligation to accommodate the resident instead of taking immediate legal action to evict.

In this webinar, we will discuss step-by-step accommodations for a resident who is hoarding while avoiding violations of fair housing laws. Our topics will include:

- Recognizing a Hoarder
- Protections Under Fair Housing Laws
- Examples of Accommodations
- Documentation you may require
- Following-Up

\$24.99

## **Annual Three-Part Webinar Series**



#### Part One March 8, 2023 Fair Housing Fundamentals

Register for Part One Only

Knowing the basic fundamentals of fair housing laws will assist owners, managers and staff in making better decisions on what law may apply to

their residents and what actions may violate fair housing laws. In this webinar, we will discuss the basics of fair housing laws and the process by which residents may make complaints. Our discussion will include: What Law Applies to Your Property; The Protected Classes; Two Types of Discrimination; Two Types of Harassment; The Complaint Process; and Retaliation.



#### Part Two March 15, 2023 Common Fair Housing Issues

<u>Register for Part Two</u> <u>Only</u>

Certain issues in fair housing arise time and again. It is important for managers and staff to know the answers before they make common mistakes. In this webinar, we will discuss the current status of the law on

common fair housing issues. Our discussion will include common issues for the protected classes of: Familial Status; Sex / Gender; Race / National Origin; and Religion.



### Part Three March 22, 2023 Making Reasonable Accommodations and Modifications

Register for Part Three Only

Residents who are disabled file more fair housing complaints than all other protected classes combined. Why? Maybe because the accommodation process is easy to mess up. In this webinar, we will talk about a landlord's requirement to reasonably accommodate as well as some of the most common accommodation requests. Our discussion will include: Knowing the Difference between an Accommodation and Modification; Paying for the Accommodation/ Modification; Getting the Paperwork Right; and Common Accommodations.



# Register for All Three Webinars \$64.99