



Understanding Protections for Applicants with Rental Subsidies Information for Rental Assistance Program Housing Providers

Screening & Use of Credit History

Credit History Limitations:

Housing providers cannot use the credit history of applicants with government rent subsidies (including the Housing Choice Voucher program) without offering the option to provide alternative evidence of their ability to pay rent.

Alternative Evidence Options:

Applicants can submit government benefit payments, pay records, bank statements, or other alternative evidence of their reasonable ability to pay their portion of the rent.

Housing Provider Requirements:

Housing providers must provide “reasonable time” for applicants to submit alternative evidence and “reasonably consider” this evidence instead of relying solely on credit history when deciding on rental applications.

For additional information on the screening and use of credit history provision located in Senate Bill 267, please visit www.leginfo.legislature.ca.gov.

Source of Income Protection

What is Source of Income Protection?

Source of income laws allow tenants to use public assistance or nontraditional income to pay rent. Housing providers cannot reject applicants based on receipt of assistance if they otherwise qualify. This includes income from programs like Housing Choice Vouchers, Veterans Affairs Supportive Housing (VASH) vouchers, and Rapid Re-housing programs.

Can Housing Providers Screen Applicants?

Yes, housing providers can screen all applicants for eligibility, provided they comply with fair housing laws.

How can I assess a Voucher Participant’s Ability to Pay Rent?

The housing subsidy is part of the tenant’s income. Eligibility assessments should be based on the tenant’s share of the rent, not the total contract rent. Example: If the total rent is \$1,400 and the tenant’s portion is \$300, the tenant needs a minimum monthly income of \$600 assuming the housing provider requires tenant income equal to two times the monthly rent payment.

Can I Advertise “No Section 8”?

No. It is illegal to advertise “no Section 8” or refuse applications from housing subsidy recipients.

Can Housing Providers Adjust Rents for Subsidy Recipients?

Housing providers can lower rents to qualify a unit for a subsidy but cannot raise rents to exclude a unit from the program.

Where can I get more information about housing subsidy programs?

Visit our website at hacsbs.com or email us at landlordinfo.com. Virtual Landlord Workshops are held monthly. Register at our website or contact us at landlordinfo@hacsbs.com.