

Fair Housing Laws, Complaints, and Lawsuits

If you are a landlord selecting tenants, it's extremely important that you and your staff know the basics of federal fair housing laws as well as state anti-discrimination statutes. Always check your local laws or consider consulting a lawyer, but here are some basic best practices to follow to help avoid being sued:

The Federal Fair Housing Laws

Landlords often only know about the Federal Fair Housing Act, but in fact, there are a host of federal laws that can apply to discrimination in housing. Here are some of

the most common federal fair housing laws that landlords have to be especially aware of:

- **Federal Fair Housing Act:** The Fair Housing Act prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18), and handicap (disability).
- **Title VI of the Civil Rights Act:** Title VI prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving federal financial assistance.
- **Title II of the Americans with Disabilities Act:** Title II prohibits discrimination based on disability in programs, services, and

activities provided or made available by public entities. HUD enforces Title II when it relates to state and local public housing, housing assistance and housing referrals.

- **Age Discrimination Act:** The Age Discrimination Act prohibits discrimination on the basis of age in programs or activities receiving federal financial assistance.

While the Federal Fair Housing Act applies to you regardless, some of the other laws apply to you largely depending on whether you receive any federal funding or assistance. Even if you do not receive any federal funding or assistance, keep in mind that many state have enacted similar fair housing laws and legislation.

State Fair Housing Laws

In addition to the Federal Fair Housing Act, almost every other state has its own Fair

Housing law. These laws typically mirror the protections found in the Federal Fair Housing Act, but often add additional protections, such as protections based on sexual orientation, personal appearance, or political affiliation.

Credit Reports and References

Always get a credit report before renting to a prospective tenant. Credit reports provide you with a business-based reason to select or reject an applicant, but make sure you are consistent on the criteria you use to screen applications (see below).

Selecting a Tenant is a Business Decision

Its important that you be able to justify your decision to reject an applicant on sound business grounds. While its perfectly legal to reject an applicant because of his or her credit history, it is not legal to reject the same applicant because of his or her

ethnicity. Why you rejected a tenant matters, and you need to have a legitimate business rationale for doing it.

Make Consistent Decisions

Being consistent in your decision-making is extremely important if you want to avoid liability. If you only ask people of a specific ethnicity for credit checks, but don't require credit checks for people of another ethnicity, that inconsistent behavior will undo any claim to making a legitimate business decision. The same goes with accepting late rent, charging security deposits, etc. Charging one group a higher security deposit is just as discriminatory as refusing to rent to the same group.

Train Staff on Fair Housing Laws

Even if you as a landlord know all of these issues, it won't help you if the people you hire don't know. The landlord is ultimately

responsible for the conduct of his or her employees, so it pays to be careful when hiring and training any employees. Make sure that employees are aware of fair housing laws that apply to you.