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TO: The Honorable Detroit City Council

David Whitaker, Director FROM:

Legislative Policy Division Staff

DATE: February 20, 2023

RE: INCOME PROTECTION ORDINANCE

Council President May Sheffield requested that the Legislative Policy Division (LPD) advise City Council on the legality of an ordinance prohibiting rental discrimination on the basis of an individual's source of income and, if necessary, to draft such an ordinance.

Please contact us if we can be of any further assistance.

BY COUNCIL PRESIDENT MARY SHEFFIELD

Q: Are there any State or federal laws that would prohibit Detroit from enacting such legislation?

A: No. There do not appear to be any State or federal laws prohibiting Detroit from enacting legislation prohibiting rental discrimination based on source of income. In fact, there are currently nine cities in Michigan that explicitly prohibit rental discrimination based on source of income: Ann Arbor, East Lansing, Grand Rapids, Holland, Jackson, Kalamazoo, Kentwood, Lansing, and Wyoming.

Q: Does the city of Detroit have an income protection ordinance that prohibits landlords from discriminating based on income source, such as social security benefits or housing choice vouchers?

A: Yes. Section 23-6-1 of the code of the city of Detroit prohibits rental discrimination on the basis of "public benefit status," which is defined under section 23-1-2:

Public benefit status means the status of being a recipient of governmental benefits, including social security, unemployment compensation, public assistance, general assistance, food stamps, Medicaid, Medicare, veteran's benefits or other governmental subsidy or grant, but does not mean any restriction or action based upon the person's income level, negative credit history or, in the sale of real property, the amount of liability.

This language appears to prohibit discrimination based on any source of income that an individual receives from government programs. Therefore, it is probably not necessary to draft a new ordinance. If there are concerns that the definition of "public benefit status" is not comprehensive enough, city council could amend the code to address these concerns by either adding language to expand the definition of "public benefit status," or by adding "source of income" as a separate protected class with its own definition. For example, the Ann Arbor code defines "source of income" as:

Any lawful source of money paid directly to an individual or family or indirectly on behalf of an individual or family, including, but not limited to:

- (a) money derived from any lawful profession or occupation.
- (b) money derived from any contract, agreement, loan, or settlement; from any court order, such as court-ordered child support or alimony; from any gift or bequest; or from any annuity or life insurance policy.
- (c) money derived from any benefit or subsidy program, including, but not limited to, any housing assistance, such as housing choice vouchers, veterans affairs supportive housing (VASH) vouchers, or any other form of housing assistance payment or credit whether or not paid or attributed directly to a landlord; public assistance; emergency rental assistance; veterans benefit; social security or other retirement program; supplemental security income; or other program administered by any federal, state, or local agency or nonprofit entity. Any monthly housing assistance administered by any federal, state, or local agency or nonprofit entity shall be treated as income in the amount of 3x the value of that monthly rental assistance.