

# FACT SHEET: SOURCE OF INCOME PROTECTIONS IN RENTAL HOUSING IN MICHIGAN

## What is fair housing?

**Fair housing** is the right to choose housing free from unlawful discrimination. The federal Fair Housing Act (FHA) and Michigan laws protect people from discrimination in housing based on protected classes. Discrimination is illegal in housing transactions such as rentals, sales, lending, and insurance. Specifically, the federal Fair Housing Act and/or Michigan's Elliott-Larsen Civil Rights Act protect against housing discrimination based on the following protected classes: race, color, religion, national origin, sex, familial status, disability, marital status, age, sexual orientation, and gender identity or expression.

As of **April 2, 2025**, Michigan's Elliott-Larsen Civil Rights Act and Landlord and Tenant Relationships Act prohibit discrimination **in rental housing** based on **source of income**.



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## What is 'source of income' under Michigan law?

According to Michigan law, **source of income** includes benefits or subsidy programs including housing assistance, Housing Choice Vouchers, public assistance, veterans' benefits, Social Security, supplemental security income or other retirement programs, and other programs administered by any federal, state, local, or nonprofit entity. Source of income may also include other types of housing vouchers, child support, alimony, and others. The laws only protect income derived legally and provided on an ongoing basis.

## Who is covered by these laws?

The Michigan laws protect all people from illegal housing discrimination due to their source of income when they seek to rent, or do rent, a home. The law applies to any **landlord** with 5 or more housing units in Michigan, including housing units of any of its related entities. Under the law, landlords of a rental unit or rental property **include** the owner, person who leases or subleases to someone, and any person authorized to exercise any aspect of the management of unit, including a person that acts as a rental agent or receives rent.

These laws also require that housing assistance provided by an agency must be approved within 30 days after a landlord provides all information required as a condition of the agency's approval, including evidence that all repairs required before occupancy have been completed.

## SIGNS OF POSSIBLE HOUSING DISCRIMINATION BECAUSE OF SOURCE OF INCOME

- Refusing to rent to someone because they have Social Security income
- Charging extra fees, a higher deposit, or higher rent because someone has a Housing Choice Voucher (formerly Section 8)
- Telling an applicant with a VASH voucher that the unit just rented, even though it is still available
- Placing an advertisement for a rental unit that states "working people only" or "No Section 8"
- Not allowing an available unit to be seen or inspected because someone receives alimony
- Requiring residents to have a job or work a certain number of hours
- Not providing equal access to facilities and amenities because of source of income
- Not maintaining units occupied by voucher holders to the same standard as other units

## What kinds of discrimination on the basis of source of income are illegal?

According to the Elliott-Larsen Civil Rights Act, a landlord of a rental unit shall **not**, based on the source of income of an otherwise eligible prospective or current tenant, do any of the following:

- Deny or terminate a tenancy to the prospective or current tenant.
- Make any distinction, discrimination, or restriction against the prospective or current tenant in the price, terms, conditions, fees, or privileges relating to the rental, lease, or occupancy of a rental unit or in the furnishing of any facilities or services in connection with the rental, lease, or occupancy of the rental unit.
- Otherwise make unavailable or deny any rental unit to the prospective or current tenant if the prospective or current tenant would be eligible to rent the rental unit but for the individual's source of income.
- Represent to the prospective tenant that a rental unit is not available for inspection, rental, or lease when in fact it is so available, or knowingly fail to bring a rental listing to the prospective tenant's attention, or refuse to permit the prospective tenant to inspect a rental unit.
- Make any distinction, discrimination, or restriction against the prospective or current tenant in the price, terms, conditions, fees, or privileges relating to the rental, lease, or occupancy of any rental unit on the basis of the prospective or current tenant's use of emergency rental assistance.
- If the person is a landlord that requires a prospective or current tenant to have a certain threshold level of income, exclude any source of income in the form of a rent voucher or subsidy when calculating whether the income criteria have been met. This subdivision does not apply to emergency rental assistance. Attempt to discourage the rental or lease of any rental unit to the prospective or current tenant.
- Publish, circulate, display, or cause to be published, circulated, or displayed any communication, notice, advertisement, or sign of any kind relating to the rental or lease of any rental unit that indicates a preference, limitation, or requirement based on any source of income.
- Assist, induce, incite, or coerce another person to commit an act or engage in a practice that violates this subsection.
- Coerce, intimidate, threaten, or interfere with any person in the exercise or enjoyment of, or on account of the person having exercised or enjoyed or having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected under this subsection.

## BEST PRACTICES

- Provide equal treatment to all applicants and tenants, regardless of source of income.
- Accept and count all income derived from lawful, ongoing sources.
- Do not express any limitations or preferences about income sources or employment status in ads or any communication.
- Work with the agency that administers a housing voucher or assistance in a timely manner.
- Update policies and practices if needed to enter into 3<sup>rd</sup> party agreements or accept 3<sup>rd</sup> party payments.
- Do not retaliate against tenants or applicants seeking to utilize or enforce their fair housing rights.



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