

2012

Brief of Amicus Curiae, the John Marshall Law School Fair Housing Legal Center & Clinic in Support of Appellant, Nicole Dussault, Dussault v. RRE Coach Lantern Holdings, LLC, et. al, No. CUM-11-591 (Maine 2012)

J. Damian Ortiz

The John Marshall Law School, 6Ortiz@jmls.edu

Michael P. Seng

The John Marshall Law School, 7seng@jmls.edu

John Marshall Law School Fair Housing Legal Center & Clinic

Follow this and additional works at: <http://repository.jmls.edu/courtdocs>

 Part of the [Law Commons](#)

Recommended Citation

Brief of Amicus Curiae, the John Marshall Law School Fair Housing Legal Center & Clinic in Support of Appellant, Nicole Dussault, Dussault v. RRE Coach Lantern Holdings, LLC, et. al, No. CUM-11-591 (Maine 2012)

<http://repository.jmls.edu/courtdocs/44>

This Brief is brought to you for free and open access by The John Marshall Institutional Repository. It has been accepted for inclusion in Court Documents and Proposed Legislation by an authorized administrator of The John Marshall Institutional Repository.

2014 ME 8

**SUPREME JUDICIAL COURT
SITTING AS THE LAW COURT**

LAW DOCKET NO. CUM-11-591

Nicole Dussault,

Plaintiff/Appellant,

v.

RRE Coach Lantern Holdings, LLC, et. al,

Defendants/Appellee.

**ON APPEAL FROM THE SUPERIOR COURT
(CUMBERLAND COUNTY), CIVIL ACTION DOCKET**

**BRIEF OF *AMICUS CURIAE* THE JOHN MARSHALL LAW SCHOOL
FAIR HOUSING LEGAL CENTER & CLINIC
IN SUPPORT OF APPELLANT, NICOLE DUSSAULT**

J. Damian Ortiz, IL Bar #6243609
Michael Seng
Patrick Bushell, Law Student
Ian Friel, Law Student
The John Marshall Law School
Fair Housing Center & Clinic
55 E. Jackson Blvd., #1020
Chicago, Illinois 60604
(312) 786-2267

David A. Lourie, Esq., Bar #1041
189 Spurwink Avenue
Portland ME 04101
(207)749-3642

Attorneys for *Amicus Curiae*
The John Marshall Law School
Fair Housing Center/Clinic

TABLE OF CONTENTS

	Page:
Table of Contents.....	i
Table of Authorities.....	ii
Statement of Interest.....	1
Statement of Facts.....	2
Summary of the Argument.....	2
Argument.....	3
I. THE LANDLORD’S UNDUE BURDEN DEFENSE IS WITHOUT MERIT.....	3
A. Courts have been reluctant to accept an undue burden defense for state statutes which include source of income as a protected class.....	5
1. Allowing the undue burden defense will open the door for widespread rejection of public assistance voucher holders.....	6
2. In states that recognize the undue burden defense, the landlord must satisfy a very high standard.....	9
B. The landlord’s undue burden defense fails under an application of the Illinois and the Maryland test.....	12
II. ALLOWING LANDLORDS TO EFFECTIVELY DENY ALL SECTION 8 VOUCHER HOLDERS WILL HAVE A SIGNIFICANT NEGATIVE IMPACT ON THE MARKET BASED SOLUTION TO LOW-INCOME HOUSING IN MAINE.....	17
Conclusion.....	22

TABLE OF AUTHORITIES

Cases	Pages:
<i>Attorney General v. Brown</i> , 511 N.E.2d 1103 (Mass. 1987).....	6, 7
<i>Bouley v. Young-Sabourin</i> , 394 F. Supp. 2d 675 (D.Vt. 2005).....	14
<i>Comm’n on Human Rights & Opportunities v. Sullivan Assoc.</i> , 739 A.2d 238 (Conn. 1999).....	4, 6
<i>DiLiddo v. Oxford Street Realty</i> 876 N.E.2d 421 (Mass. 2007).....	6, 8
<i>Franklin Tower One, LLC. v. N.M.</i> , 157 N.J. 602 (N.J. 1999).....	4
<i>Glover v. Crestwood Lake</i> , 746 F. Supp. 301 (S.D.N.Y. 1990).....	5-6
<i>Godinez v. Sullivan-Lackey</i> , 815 N.E.2d 822 (Ill. App. 2003).....	<i>passim</i>
<i>Groach Assoc. #33 v. Louisville/Jefferson Cnty. Metro H. Rel. Comm’n</i> , 508 F.3d 366 (6th Cir. 2007)	12
<i>Knapp v. Eagle Prop. Mgmt. Corp.</i> , 54 F.3d 1272 (7th Cir. 1995).....	10, 12
<i>Montgomery Cnty. v. Glenmont Hills Ass’n</i> , 939 A.2d 325 (Md. 2007).....	<i>passim</i>
<i>Rosario v. Diagonal Realty, LLC.</i> , 872 N.E.2d 860 (N.Y. 2007).....	4,5
<i>Salute v. Stratford Greens Garden Apartments</i> , 136 F.3d 293 (2d Cir. 1998).....	12

STATUTES

5 M.R.S. § 4582.....*passim*
42 U.S.C.S. § 1437f(a).....4, 18

BILLS AND AMENDMENTS

L.D. 327 (107th Legis.).....19

SECONDARY SOURCES

A Different Type of Housing Crisis: Allocating Costs Fairly and Encouraging Landlord Participation in Section 8
Krista Sterken, 43 COLUM. J.L. & SOC. PROBS. 215 (2009).....19

Maine Rental Housing Facts 2010
www.MaineHousing.org.....20

Sara Pratt, “Assessing Claims of Housing Discrimination against Victims of Domestic Violence under the Fair Housing Act and the Violence Against Women Act”, Dep. of Hous. & Dev., (2011).....14, 15

The Impact of Source of Income Laws on Voucher Utilization & Locational Outcomes,
Lance Freeman (Dep’t of Hous. & Urban Dev. 2011).....20, 21

Using Disparate Impact in Fair Housing Claims: Landlord Withdrawal from the Section 8 Voucher Program,
Rebecca Tracy Rotem, 78 FORDHAM L. REV. 1971 (2010).....18

STATEMENT OF IDENTITY AND INTEREST OF *AMICUS CURIAE*

The mission of The John Marshall Law School Fair Housing Legal Support Center (“Center”) is to educate the public on fair housing law and provide legal assistance to those private or public organizations that are seeking to eliminate discriminatory housing practices. The Center conducts national conferences and trainings on fair housing law and enforcement and is a national resource for attorneys, agencies, fair housing organizations, trade associations in the housing, lending, and insurance areas. The Center coordinates The John Marshall Law School Fair Housing Legal Clinic (“Clinic”). The Clinic provides litigation and dispute resolution training for law students, and litigation and dispute resolution assistance to persons who complain of housing discrimination in violation of federal, state and local laws.

The *Amicus* Center will address the following issues in its brief: whether the required Department of Housing and Urban Development (“HUD”) lease addendum is a sufficient burden to satisfy an undue burden defense and whether such a defense is against public policy. *Amicus* believes these issues present a broad question of policy with significant impact on the work of both housing litigants and those charged with administering the laws, the outcome of which will affect the equal opportunity of persons who receive federal housing subsidies and

other protected classes under the Maine Human Rights Act (“MHRA”). The Clinic litigated *Godinez v. Sullivan-Lackey*, 815 N.E.2d 822 (Ill. App. 2003) a case that involved similar issues presented in this case. For these reasons, Amicus believes that its participation will be of assistance to this honorable Court.

Authority: This Brief is submitted with the consent of both Appellant and Appellee.

STATEMENT OF FACTS

Amicus Curiae agrees with the facts set forth in the brief submitted by Appellant and respectfully incorporate by reference Appellant’s Statement of Facts.

SUMMARY OF THE ARGUMENT

The Appellee’s undue burden defense to the requirement that it comply with the HUD Tenancy Addendum in accepting housing applications from public assistance voucher holders is unwarranted. Courts have resisted reading an undue burden defense into a statute which requires landlords to accept public assistance vouchers. Allowing the defense could facilitate widespread rejection of public voucher holders, and could enable landlords to reject Section 8 voucher holders based on negative stereotypes. Furthermore, although a few courts have acknowledged that the undue burden defense may be available in certain

situations; those courts have made clear that to do so the landlord must satisfy a very high standard of proving the burden is overly onerous. In the present case, Maine law prohibits denial of housing by landlords against public vouchers assistance tenants. To allow the defendant to use the undue burden defense in the present case could have the effect of advancing the aforementioned evils. Furthermore, even if Maine does allow an undue burden argument, here, the defendant does not raise burdens onerous enough to satisfy the high standards by other courts.

Additionally, policy considerations weigh heavily in favor of rejecting the landlord's assertion that the HUD lease addendum is an undue burden. Source of income laws, such as 5 M.R.S. § 4582, offer important protections for low-income families and substantially aid in their efforts to locate affordable housing. If this Court holds that the required HUD lease addendum is an undue burden, landlords can easily deny all Section 8 tenants, effectively eliminating any protections offered by the legislature in 5 M.R.S. § 4582.

ARGUMENT

I. THE DEFENDANT HAS NOT ESTABLISHED AN UNDUE BURDEN DEFENSE IN THIS CASE

The Appellees-landlord in this case is attempting to assert what is known as an undue burden defense. The essence of this defense is that some regulatory requirements place an undue burden on the housing

provider. Therefore, the housing provider may use those burdens as a defense for non-compliance with the law. Here, HUD requires that the lease addendum be attached to the Section 8 voucher participant's lease. The landlord is alleging that the lease addendum is burdensome and that their refusal to participate in the program is not a violation of the MHRA.

Section 5 M.R.S. § 4582 provides that it is unlawful:

For any person furnishing rental premises or public accommodations to refuse to rent or impose different terms of tenancy to any individual who is a recipient of federal, state or local public assistance, including medical assistance and housing subsidies primarily because of the individual's status as recipient;

Section § 4582 states explicitly that Section 8 program (vouchers), a federal housing subsidy, is a protected "source of income" under Maine law. *Id. See also* 42 U.S.C. 1437f. Maine is not the only jurisdiction that has chosen to include source of income as a protected class under local fair housing laws. Moreover, Maine is not the only state that has been confronted with the undue burden defense that is at issue in the case at bar. The overwhelming majority of these courts have decidedly rejected the validity of defenses that are strikingly similar to Appellee's. *See Godinez v. Sullivan-Lackey*, 815 N.E.2d 822 (Ill. App. 2003); *Montgomery Cnty. V. Glenmont Hills Ass'n*, 936 A.2d 325 (Md. 2007); *Rosario v. Diagonal Realty, LLC.*, 872 N.E. 2d 860 (N.Y. 2007); *Franklin Tower One, L.L.C v. N.M*, 157 N.J. 602 (N.J. 1999) and *Comm'n on Human Rights &*

Opportunities v. Sullivan, Assoc., 739 A.2d 238 (Conn. 1999). Therefore, this Court should hold that the Appellee's undue burden defense lacks merit and reverse the lower court's decision.

A. Courts Have Declined to Accept an Undue Burden Defense for State Statutes Which Include Source of Income as a Protected Class.

As noted in *Rosario v. Diagonal Realty, LLC*, 803 N.Y.S.2d 343, 348 n.5 (N.Y. Sup. 2005), Congress amended the federal public assistance program by replacing the requirement that landlords use HUD's form lease with the requirement that landlords simply attach HUD's addendum to their own lease. Congress had enacted the amendment to facilitate participation in Section 8 based programs and ease any perceived undue burdens on landlords. *Id.*

In *Glover v. Crestwood Lake*, 746 F. Supp. 301, 309 (S.D.N.Y. 1990), district court flatly rejected the undue burden defense. In *Glover*, the landlord stated that it did not want to depart from its standard lease agreement. *Id.* at 308. The court concluded that "[the landlord's] refusal to accept certain provisions of the HUD-mandated Section 8 voucher lease addendum cannot be interpreted as anything but a refusal to rent an apartment to a Section 8 voucher holder applicant as a result of that applicant's status as a Section 8 voucher holder." *Id.* Thus, the court found that a housing provider's "reluctance to depart from their standard

lease agreement” is not a valid defense to denying a public assistance voucher holder. *Id.* at 308-309. Thus, the court in *Glover* flatly rejected the undue burden defense and Maine should do the same.

1. Allowing the undue burden defense will open the door for widespread rejection of Section 8 voucher holders.

The undue burden defense opens the door to widespread refusal of housing applicants who use Section 8 vouchers, thereby defeating the purpose of the program. The stereotype underlying cases where Section 8 voucher holders are rejected is “the unspoken presumption that [public] assistance recipients, by virtue only of their ‘source of income’, are undesirable tenants for a landlord’s rental properties.” *Comm’n on Human Rights and Opportunities v. Sullivan Assocs.*, 739 A.2d 235, 247 (Conn. 1999). As a result, laws prohibiting rejection of housing applicants based on their status as a voucher holder have been enacted to combat that stereotype. However, as pointed out in *Montgomery County v. Glenmont Hills Assoc.*, 936 A.2d 325, 341 (Md. 2007), “[i]f a landlord could avoid [the fair housing laws] with the defense of ‘undue burden,’ then landlords could easily thwart the . . . intent underlying the law.”

The undue burden defense was first offered in *Attorney General v. Brown*, 511 N.E.2d 1103 (Mass. 1987) (Superseded by Statute as Stated in *DiLiddo v. Oxford Street Realty, Inc.*, Mass., 876 N.E.2d 421, 429

(Mass. 2007)). In *Brown*, the landlord refused to rent to Section 8 voucher holders because “he [did not want] to rent to anyone who did not make an advance payment of the last month’s rent and sign the lease form used by [his] own realty company. Section 8 leases are materially less advantageous to him; it is more costly to deal with the administrative bureaucracy of the Section 8 program, and he loses money from a tenant from whom he cannot collect the last month’s rent.” *Id.* at 1107. The landlord further argued that by not being permitted to accept the last month’s rent from his tenants due to the Section 8 provisions, and place that money in a separate account, he was losing out on interest from at least 800 units. *Id.* at 1109.

Given the requirement that a landlord is required to refund 5% interest to the tenant, the Attorney General argued that the financial loss was *de minimis*. *Id.* However, the court found that the financial loss from 800 units may not be *de minimis* and refused to grant the Attorney General’s motion for summary judgment. *Id.* The case was remanded to give the landlord an opportunity to prove the defense. *Id.* Hence, unlike in this case, the landlord was still required to prove an undue burden at trial.

However, the decision in *Brown* was short lived. Two years later the Massachusetts legislature overturned *Brown*. As the court explained in

DiLiddo v. Oxford Street Realty, 876 N.E.2d 421, 429 (Mass. 2007), the amendment was “an obvious intent to reverse the effect of that decision.” *Id.* at 429 n.17. Following the amendments, the Court in *DiLiddo* rejected the housing provider’s argument that she was merely rejecting the requirements under the Section 8 program based on a “legitimate, non-discriminatory” reason, *i.e.*, that the requirements are “economically disadvantageous.” *Id.* The court based its conclusion in part on the reasoning that allowing for such a defense will have “a potentially widespread and profound impact on the ability of residents in the Commonwealth to utilize any rental assistance voucher to locate and then actually obtain affordable housing.” *Id.* at 431.

The principle underlying the decision in *DiLiddo* is that allowing an undue burden exception to a statute which has the clear purpose of advancing the availability of housing for people utilizing public assistance programs would “operate as a blanket rejection of all prospective tenants whose income included [public] assistance,” thereby defeating the purpose of the statute. *Sullivan*, 739 A.2d at 237. Thus, any landlord who believes in the above mentioned stereotype could assert the undue burden exception and avoid accepting Section 8 vouchers.

2. In the few states that recognize the undue burden defense, the landlord must satisfy a very high standard.

Two courts that have allowed an undue burden defense have consistently set high standards for proving that an undue burden exists. For example, the Illinois in *Godinez v. Sullivan-Lackey*, 815 N.E.2d 822, 827 (Ill. App. 2004), found that a landlord may offer a valid argument against accepting Section 8 vouchers based on an undue financial burden. However, the court also found that the burden must be more than *de minimis*. *Id.* In *Godinez*, the landlord asserted that he did not accept the voucher because “he did not want to be audited.” *Id.* at 826. The Chicago Commission on Human Relations stated that the two primary requirements under the Section 8 voucher provisions, that landlords must charge reasonable rent and that the housing unit satisfies specified quality standards, do not impose a substantial financial burden on the defendant. *Id.* However, the issue was not raised on appeal, and the Illinois Appellate Court did not make a determination of whether this burden was substantial or *de minimis*, but held that the Commission’s findings were not against the manifest weight of the evidence. *Id.*

The *Godinez* court also distinguished the Chicago Ordinance from the Wisconsin ordinance at issue in a case that is frequently utilized by

landlords in making the undue burden argument. *Knapp v. Eagle Property Mgmt.*, 54 F.3d 1272 (7th Cir. 1995). *Id.* at 827. In that case, the court refused to include Section 8 vouchers as a “source of income” under the Wisconsin fair housing statute. *Knapp*, 54 F.3d at 1282. The *Godinez* court distinguished the two statutes by noting that the Wisconsin statute defined source of income narrowly because it listed the types of income. *Id.* The *Knapp* court was hesitant to write in types of sources of income that the Wisconsin legislature did not include. *Id.* Therefore, *Knapp* was inapplicable. *Id.* Much like the Chicago Ordinance, and unlike the Wisconsin law, 5 M.R.S. § 4582 specifically includes federal housing subsidies, and does not enumerate burdens which may invalidate the law.

More recently, in *Montgomery Cnty. v. Glenmont Hills Ass’n*, 936 A.2d 325 (Md. 2007), the Court of Appeals of Maryland set an even higher standard for whether a landlord will be able to establish a burden onerous enough to validate the undue burden defense. The court concluded that “unless the landlord can establish a burden so severe as to constitute a taking of its property or [a] violation of due process, administrative burden is not a viable defense.” *Id.* at 341-342. In *Glenmont Hills*, the landlord claimed the following to be undue burdens:

“(1) the failure of the PHA to pay its portion of the rent does not constitute a breach of the lease, as it would be under

the standard lease used by Glenmont, and thus Glenmont would be unable to terminate the tenancy for nonpayment of rent; (2) the tenant is allowed to engage in profit-making activities incident to the primary use as a residence, which other tenants are not permitted to do; (3) the addendum prevails over the standard lease terms and cannot be changed by the landlord or tenant . . . , (4) the PHA may terminate assistance to the tenant on various grounds, and, if it does so, the lease will automatically terminate without notice to the landlord . . . (5) if that contract terminates for any other reason, the lease still terminates without notice to the landlord . . . , [and] (6) . . . participation requires that the apartment satisfy the HUD quality standards, which requires an inspection by the PHA.”

Glenmont Hills, 936 A.2d at 340.

The court held that these burdens were not onerous enough to support a legitimate defense to a denial of public assistance vouchers. *Id.* Furthermore, the court noted that no landlord has ever been able to establish an undue burden so onerous as to constitute a taking of its property or a violation of due process. *Id.* at 342. Thus, although the courts in Illinois and Maryland may allow an undue burden defense, landlords must pass a very high standard to establish that the burden is so onerous as to validate the defense. Under either the *Godinez* or the *Glenmont Hills* standard, the defense must be raised and proven by competent evidence. Some courts have allowed landlords either an undue burden or a legitimate business reason defense as an excuse to refuse participants of federal housing assistance. However, in those jurisdictions, the state legislature had not created extra source of income

protections for such participants. See *Groach Assoc. #33 v. Louisville/Jefferson Cnty. Metro. Human Relations Comm'n*, 508 F.3d 366 (6th Cir. 2007); *Knapp v. Eagle Property Mgmt.*, 54 F.3d 1272 (7th Cir. 1995); *Salute v. Stratford Greens Garden Apartments*, 136 F.3d 293 (2d Cir. 1998).

B. The Appellee's Undue Burden Defense Fails Under an Application of the Illinois and the Maryland Test.

Given the above mentioned policy considerations, the high standards established by courts which have accepted the undue burden argument, and the fact that participation in the program is required by Maine state law, the defendant's argument that the HUD Tenancy Addendum in the present case imposes an undue burden is unwarranted. The defendant concedes that Maine Legislature's intent in enacting Section § 4582 of the MHRA was to prevent landlords from refusing housing to public assistance voucher holders based on the stereotype mentioned above: that tenants who use public assistance vouchers are undesirable by virtue of their source of income. R. 154. The court should not read into the Maine statute an exception that will essentially defeat the legislature's purpose of combating that stereotype by requiring landlords to participate in Maine's Section 8 voucher program. To do so would result in an easy way for landlords to reject

tenants based on their status as voucher holders under the guise of an undue burden exception.

However, even if the court decides that the undue burden exception is a valid defense, the defendant cannot prove that the addendum imposes more than a *de minimis* burden. In the present case, the landlord's stated burdens are:

(1) that the HUD addendum requires it to give the public housing authority ("PHA") 60 days' notice before raising rent, where Maine law only requires 45 days' notice; (2) "limits [its] ability to terminate the lease in the event of repeated domestic abuse"; and (3) prohibits its ability to evict a tenant based on the PHAs failure to pay its portion of the rent. (Defendant's Motion for Summary Judgment at p. 8-9.) Furthermore, the defendant argues that the Tenancy Addendum "requires the landlord to charge no more rent than HUD determines is 'reasonable,' and requires the landlord to open its premises for inspection."

R. 148. Thus, the defendant argues that the Tenancy Addendum restricts its rights under Maine's law. R. 68. However, these burdens are misstated and *de minimis*.

The first burden, which requires the landlord to give the PHA 15 extra days' notice before raising rent, does not impose an overly onerous burden. It merely gives the PHA an extra time to ensure that the public assistance voucher program is implicated properly. Given the importance of the program, the time extension for providing notice is warranted and not overly burdensome.

Although the second is somewhat more burdensome since it restricts the landlord from terminating a lease based solely on domestic violence, the landlord is also afforded certain steps it can take in preventing violent activity on its premises in conjunction with the PHA under section 8(e) of the tenancy addendum. For example, the Tenancy Addendum states that, notwithstanding the restrictions regarding domestic violence, the owner may “bifurcate” a lease and evict people who engage in criminal acts or violence, including those guilty of domestic abuse.

Furthermore, even without the Section 8 limitations, evicting a female tenant because there have been incidents of domestic abuse may violate the federal fair housing laws and state fair housing laws on the basis of gender discrimination. *Bouley v. Young-Sabourin*, 394 F. Supp. 2d 675, 678 (D. Vt. 2005). In *Bouley*, the District Court of Vermont held that the plaintiff, a female tenant, had established a prima facie case of discrimination by alleging that she had been evicted after being the victim of a domestic abuse incident in the apartment. *Id.* Furthermore, this conclusion has been supported by HUD. See *Assessing Claims of Housing Discrimination against Victims of Domestic Violence under the*

*Fair Housing Act.*¹ As such, the defendant's contention that they lose their right to evict based on repeated instances of domestic violence may very well be illusory. Such an eviction may already be illegal under the Fair Housing Act or local law.

Regarding the reasonable rent requirement, under Section 4(c) of the addendum, the landlord must charge *either* "[t]he reasonable rent for the unit as most recently determined or re-determined by the PHS in accordance with HUD requirements, *or* [r]ent charged by the owner for comparable unassisted units in the premises," *i.e.*, the fair market value of the unit. (emphasis added). Thus, charging rent which HUD deems "reasonable" is merely one option, and the landlord may charge rent similar to its unassisted units.

Regarding the inspection requirement, simply allowing a housing authority agent to inspect an apartment to ensure habitability is of minimal inconvenience. Furthermore, the Housing Quality Standards required by the addendum are merely to ensure that the unit is and remains in a habitable state. Unless the defendant can point to specific requirements under the Housing Quality Standards which go well beyond

¹ U.S. Dep't of Housing and Urban Development (Feb. 9, 2011), *at* <http://portal.hud.gov/hudportal/documents/huddoc?id=FHEODomesticViolGuidEng.pdf> (Last visited March 24, 2012).

state law habitability requirements, its argument fails. *See Godinez v. Sullivan-Lackey*, 815 N.E.2d 822 (Ill. App. 2003).

Finally, the above stated restrictions do not limit the defendant's rights under state law. Maine law requires landlords to accept public assistance vouchers. By having such a requirement, Maine law is essentially also requiring landlords to comply with the Tenancy Addendum in that it is part of accepting the vouchers. Thus, although Maine law may be different regarding tenants who do not receive public assistance vouchers, Maine law also requires landlords to comply with the Tenancy Addendum regarding tenants who do use public assistance vouchers. Therefore, by refusing to comply with the Tenancy Addendum, the defendant is essentially refusing to comply with Maine state law.

Moreover, it can hardly be said that the requirements under HUD's lease addendum constitutes a taking of the defendant's property, or are a violation of due process. The defendant in the present case offers many of the same arguments the landlord in *Glenmont Hills* offered, all of which were rejected as insufficient to establish an undue burden. Thus, the defendant will not pass the test set out in *Glenmont Hills*, and cannot prevail in an undue burden argument. Therefore, based on the policy reasons offered by various courts, the high standards set by the Illinois

and Maryland courts, and how participation is required under Maine's state law, Appellee's undue burden defense must fail.

II. ALLOWING LANDLORDS TO EFFECTIVELY DENY ALL SECTION 8 VOUCHER HOLDERS WILL HAVE A SIGNIFICANT NEGATIVE IMPACT ON THE MARKET BASED SOLUTION TO LOW-INCOME HOUSING IN MAINE

Not only is the law against the Appellee's undue burden defense, so is public policy. Allowing this defense would gut the protections that Maine's fair housing laws provides for Section 8 participants. Maine's legislature was in no way required to create additional protections for Section 8 voucher recipients. Source of income is not protected under federal law. However, Maine's legislature saw a need to protect Section 8 tenants. A decision giving the landlord's an easy method to avoid their legal obligations would devastate Maine's source of income protections and severely damage the market-based solution to affordable housing that Section 8 vouchers provide. Furthermore, such a defense would have a deleterious impact upon other protected classes even absent any discriminatory intent from landlords. As other courts have noted, allowing the undue burden defense based solely on HUD requirements would defeat the purpose of source of income protection. *Sullivan*, 739 A.2d at 237. Unfortunately, discrimination is still rampant in our society. As more overt methods of discrimination have declined, they have been

replaced by more subtle forms.² One form of subtle discrimination takes its source of income discrimination; specifically, discrimination against the individuals who desire to utilize a Section 8 voucher.

Section 8 vouchers form the backbone of governmental efforts to provide housing for persons of limited means. Section 8 vouchers were created for the purpose of providing persons of limited means a decent place to live and promoting economically mixed housing. 42 USCS § 1437f (a). They are a market based solution to affordable housing that avoids overly stringent regulations like rent control. The voucher is an effective way to equalize two competing interests. First, this policy allows the landlord to realize the fair market value of his rental property. Second, this policy promotes affordable housing for parts of the population with limited means while simultaneously promoting more economically integrated neighborhoods.

Integration is the key for the Section 8 voucher program. The grouping of low-income families in certain areas is undesirable for a number of reasons. Perhaps the most compelling reason is not to create

² *Using Disparate Impact in Fair Housing Act Claims: Landlord Withdrawal from the Section 8 Voucher Program*, Rebecca Tracy Rotem, 78 Fordham L. Rev. 1971, 1980 (2010).

low-income “ghettos” that create a hopeless atmosphere.³ Individuals from such areas have less access to high-achieving schools, healthier living environments, and better employment opportunities. *Id.* Additionally, such individuals are subject to discrimination in employment from the mere fact that they come from a less-advantaged neighborhood and all of the stereotypes that entails. *Id.*

The lower court’s ruling grants landlord’s an ability to reject all section 8 vouchers primarily because their status as Section 8 voucher requires the landlord to attach a lease addendum. This could potentially wreck the market based solution since Section 8 individuals could be so easily excluded from a significant portion of the market.

The MHRA created one solution to this problem by making it unlawful to deny an individual an apartment primarily because of their status as a Section 8 voucher recipient. 5 M.R.S. § 4582. The Maine legislature considered that discrimination against Section 8 voucher participants was significant enough to add it as a protected class. L.D. 327 (107th Legis. 1975). As discussed earlier, Maine is not alone in believing these low-income families need additional protections. Many other jurisdictions have felt that Section 8 vouchers needed to be

³ *A Different Type of Housing Crisis: Allocating Costs Fairly and Encouraging Landlord Participation in Section 8*, Krista Sterken, 43 Colum. J.L. & Soc. Probs. 215 (2009).

included under the protection of local fair housing laws as well. See *supra* Part I.

A look at Maine's housing data demonstrates this need for Section 8 protection. In Maine, 53.8% of households could not afford the average rent for a two bedroom apartment in 2010.⁴ This demonstrates the practical need for an effective Section 8 voucher program in Maine. A decision against Appellant in this case may exacerbate an already difficult housing situation for low income families. A recent HUD report illustrates the effectiveness of including source of income as a protected class.⁵ The study found that there was a significant correlation between source of income laws and the ability of voucher recipients to successfully find housing. One of the major issues facing Section 8 voucher holders is the ability to find housing once they have obtained a voucher. See *supra* at pg. vii. If those tenants are unable to locate a suitable dwelling, the Section 8 voucher expires, a devastating blow to a low-income individual's ability to find housing. Section § 4582 adds an

⁴ *Maine Rental Housing Facts 2010*, MaineHousing.org, <http://www.mainehousing.org/data-reports/housing-facts> (follow "rental facts" hyperlink in "statewide housing facts" category) (last visited March 15, 2012).

⁵ *The Impact of Source of Income Laws on Voucher Utilization & Locational Outcomes*, Lance Freeman (Dep't of Hous. & Urban Dev. 2011). http://www.huduser.org/publications/pdf/Freeman_ImpactLaws_AssistedHousingRCR06.pdf (Last visited on March 24, 2012).

important and effective protection for the Section 8 participants. It provides protection and increases their opportunity to find suitable housing.

Additionally, there was a correlation between source of income laws and Section 8 voucher holders relocating into a better area. This correlation was not as strong; however, the report stated that the correlation still demonstrated that source of income laws further the policy of more economically integrated neighborhoods. *Id.* at 25.

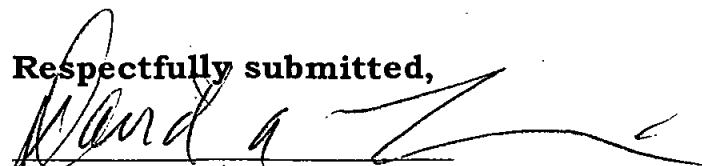
Therefore, source of income laws are having an actual positive effect on low-income people. Allowing landlords to easily defeat the purpose of these laws will have a predictably bad effect on Section 8 participants. This is not an outcome the Court should view lightly. Unless there are extraordinarily compelling policy reasons for accepting the landlords' interpretation of the MHRA, it should be rejected. Appellees do not have such reasons. Rather the policy implications rest squarely on a decision rejecting Appellee's argument.

CONCLUSION

For the reasons stated above, as well as those put forward by Appellant, this Court should reverse the lower court's decision.

March 28, 2012

Respectfully submitted,



David A. Lourie, Esq., Bar#1041
189 Spurwink Avenue
Portland ME 04101
(207)749-3642

J. Damian Ortiz, IL Bar #6243609
Patrick Bushell, Law Student
Ian Friel, Law Student
The John Marshall Law School
Fair Housing Center & Clinic
55 E. Jackson Blvd., #1020
Chicago, Illinois 60604
(312) 786-2267

Attorneys for *Amicus Curiae*