

Dear Senators Hirono and Schatz,

We are students at Community High School and we have created a report about rent and income inequality in your state of Hawaii. Based on the data from the American Community Survey, we found that about 25% of residents are having to pay 60% or more of gross income to cover rent. The mean of the percent income needed to pay for rent in Hawaii is 41% and the median is 31%. This data tells us that many people in Hawaii are using a moderate percentage of their income to cover their rent costs.

Given this data, we recommend that there be supportive policies in place to help long-term residents transition from renting to homeownership. We know that Hawaii has a high population of renters and believe some must come from the tourist and vacation industry. Therefore, to support residents, it is important to have affordable housing options. Given that the common standard of percentage of income to spend on rent is 30%, it is concerning that the mean is much higher due to a right skew (Chase).

One potential strategy to address the issue of large percentages of income being spent on housing is to put rent-stabilization policies into place. It would be helpful to residents to have rent be proportional to their level of income especially if their income is below the mean of the county. Rents do not rise proportionally with income and this hurts the livelihood of low-income individuals.

We understand that landlords also work to make a living and are pricing housing at appropriately proportionate levels. Also, for people who have higher incomes, they have more flexibility in housing options that are considerably affordable for them. Therefore, these individuals might not want some people to have breaks on rent because it would take away their advantage.

However, if your priority is to support Hawaii residents and make rent more affordable for low-income residents, then it is important to provide rent breaks and proportional income-rent payments.

Please take a look at our data visualization slides [linked here](#) for more information.

Thank you for your time and consideration.

Best,

Student Signature

“How Much of Your Monthly Income Should Go to Rent?” *Chase*, J.P. Morgan Securities LLC,  
<https://www.chase.com/personal/banking/education/budgeting-saving/how-much-income-should-go-to-rent>.