

June 24, 2020

Good afternoon Speaker Kotek and members of the committee,

My name is Michael Havlik, I am Deputy Executive Director for Multifamily NW. Our members own or manage a quarter of a million units of housing in the state of Oregon.

First I want to stress that HB 4213 does not address the \$150 million existing shortfall in rental assistance for struggling Oregonians. Without robust assistance, distributed quickly, this bill does not address any of the looming problems related to record unemployment and the massive economic downturn COVID-19 has created. All of you should be asking the question why three weeks later, the financial assistance you approved has not been distributed to needy households.

In addressing the substance of the bill before you today:

- HB 4213 allows the state to punt on this crisis and puts the entire burden on Oregon's rental Housing providers.
- As we all know, there is no certainty to the duration of this state of emergency until a vaccine can be developed. Therefore the duration of HB 4213 is undetermined, which in the worst case equates to the state taking ownership of private property with no guarantee of compensation.
- Next, the bill lacks the minimum requirement that nonpayment of rent be tied to the COVID-19 virus, creating a loophole that could be exploited unjustly. The bill aggressively penalizes housing providers at 3 months' rent and tenants at ½ months rent for simple paperwork problems. For both tenants and housing providers, the severe penalties are unjustified.
- By now, you all must be hearing about small Housing Providers selling off there rentals and getting out of the business. As this bill is written, leaving the housing industry will no longer be a choice for many owners, it will be a necessity.

The industry needs more assistance, not punishment. I urge you to vote no on this legislation unless a more balanced approach can be achieved.

Thank you for your time.

Michael Havlik Deputy Executive Director Multifamily NW

EXECUTIVE DIRECTOR Deborah Imse deborah@multifamilynw.org

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