



Testimony in Support of House Bill 2639
State Representative Tina Kotek, Speaker of the House

House Committee on Human Services and Housing
March 6, 2013

Madame Chair and Members of the Committee, thank you for the opportunity to speak in support of House Bill 2639 today. This bill is a product of many months of stakeholder conversations and is still a work in progress. For your consideration today, you should have a -5 amendment which further refines the bill to address stakeholder feedback.

If Oregon is to achieve its varied public policy goals – such as keeping people healthy through prevention and reducing the high school dropout rate – it is critical that we, as a Legislature, focus our attention on the topic of affordable housing. We need a more vigorous, coordinated approach. Hence, you see the addition of “housing” to this committee’s responsibilities this session.

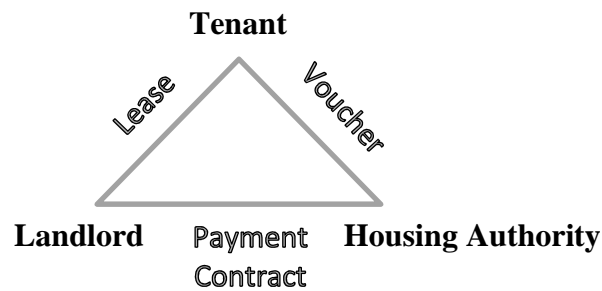
To succeed in life, we all need a safe place to call home. Yet, we know that a lack of safe, affordable housing undermines the health and well-being of thousands of low-income Oregonians. We also know that housing instability and homelessness among families results in too many children changing schools multiple times during the year, hindering their ability to succeed in school. The state has focused primarily on supporting the construction of affordable housing units, and in doing so has played a limited role in facilitating more housing options for low-income Oregonians.

One of the most important housing programs in Oregon is the federal Housing Choice Voucher Program, a program commonly known as the Section 8 voucher program. Administered by twenty-two local housing authorities across the state, approximately 32,000 Oregon households rely on these vouchers to subsidize their rent every month. This amounts to nearly \$200 million in federal dollars annually going to almost 13,000 private landlords. Unlike site-based affordable housing, tenant choice – the flexibility to choose where one would like to live due to employment, schools, needed services, or neighborhood safety – is the hallmark of the program.

Here's a quick snapshot of voucher holders:

- 44% have a disability.
- 4 out of 5 have are very low-income, making less than one-third of the median family income (for a family of three, that's just under \$20,000 per year).
- 3 out of 4 households are headed by women.

The Housing Choice Voucher Program is a public-private partnership that involves a cooperative relationship between the tenant, the landlord, and the housing authority. Each relationship entails an agreement – the lease, the voucher, and the payment contract.



The Housing Choice Voucher Program is vitally important to low-income Oregonians and it is critical to the state's efforts to make sure people have access to safe, affordable, stable housing. Currently, there is practically no interaction between the local housing authorities and the Oregon Housing and Community Services Department (OHCS). It is currently legal for a landlord not to accept a rental application from someone who will use a voucher to cover a portion of her rent payment. Only landlords in Multnomah County have the surety of a risk mitigation fund if a tenant damages a unit. Lastly, there aren't enough vouchers to meet existing housing needs, so short-term rental assistance is one way to help people to maintain housing stability in tough economic times.

Consequently, House Bill 2639 seeks to:

- Maximize the outcomes of the federal Housing Choice Voucher Program for both voucher recipients and landlords.
- Strengthen the connection between local housing authorities and the state to improve statewide coordination and oversight.
- Help struggling Oregonians achieve or maintain housing stability by expanding access to short-term rental assistance.

The following summary of the bill reflects the changes in the -5 amendment:

Fairness for Voucher Holders

- Amends ORS 659A to clarify that “source of income” nondiscrimination includes federal rent subsidies and any other local, state or federal housing assistance, thereby giving voucher holders the chance to apply for all available rental opportunities.

Support for Landlords

- Permits landlords not to rent to voucher holders based on past rental history and ability to pay rent.
- Creates a statewide mitigation fund to stand behind landlords if tenants damage property.
- Encourages timely housing inspections, leases that match standard and customary lease lengths, assistance with service referrals, and establishing a process that allows landlords to provide regular input to housing authority.

Support for Housing Authorities

- Directs the state to pursue a statewide federal waiver to give local housing authorities more flexibility in administering the program.
- Forms a Statewide Housing Choice Advisory Committee to share best practices and develop strategies to improve outcomes.

Increased Accountability

- Requires local housing authorities to report program data to the state.
- Requires the Housing and Community Services Department to report to the Legislature and integrate program goals into the statewide affordable housing plan.

Expanded Short-Term Rental Assistance

- Creates the Stable Rental Housing Program to provide rental assistance to help people to achieve or maintain housing stability.

House Bill 2639 is a first step toward integrating the Housing Choice Voucher Program into the state’s toolbox for addressing the affordable housing needs of low-income Oregonians. I want to thank all the stakeholders – landlords, housing authorities, and housing advocates – for their hard work thus far in putting this bill together.

Thank you for your consideration today. I urge your “do pass” recommendation to send the bill to the Joint Committee on Ways and Means for further review.

Thank you.