



Testimony in Support of House Bill 2004
House Committee on Human Services and Housing

Speaker of the House Tina Kotek
March 2, 2017

Thank you for the opportunity to testify this morning in support of House Bill 2004.

Oregon has a housing crisis, and it's a crisis with consequential effects – from an ever-growing tide of individuals experiencing homelessness to substantial barriers to home ownership that keep people from building wealth – and everything in between those two ends of the spectrum.

I often hear that the answer is simply supply. We just need more housing, both affordable and market rate, to meet the growing demand.

Well, of course we need more supply. No one disputes that. And many of us are working hard to help make sure more housing is built, as well as preserve the affordable housing stock that currently exists.

It would be dishonest, however, to talk only about supply.

While a shortage of supply is the underlying cause of this problem, we cannot and should not simply believe that we can build our way out of this crisis. It is a crisis – it is immediate, it is upon us, and people are losing their housing every day. Oregonians you will hear from today cannot afford to wait for years while the supply improves and rent increases begin to slow down. They are losing their housing now. As elected leaders, we cannot stand by while our communities become more economically segregated, people's lives are unfairly disrupted, and essential stability is harder and harder to achieve.

People need stability and predictability to thrive. The current rental market is failing too many Oregonians when it comes to stability and predictability. And it will not get better unless we act.

Today's conversation, House Bill 2004, is about a necessary set of remedies.

Today's conversation is about combatting displacement. Across the nation, higher-income individuals are flocking to urban areas, leading to widespread displacement of low-income people and people of color from their communities. Oregon is no exception to what is being referred to widely as a displacement crisis. As demand to live in cities increases faster than available supply, current residents can no longer afford to live in their homes and many are forced to move.

The City of Portland recently released their annual State of Housing Report and found that there is not a single neighborhood in Portland that is affordable to the average Native-American, African-American, or Latino Household. Not one. There is extensive research on the negative impacts of segregation and a growing body of research from leading economic institutions showing that inequality hinders economic growth and prosperity, while racial inclusion and lower levels of inequality contribute to sustainable economic growth and prosperity.

Limited supply and increased demand are certainly driving much of the current crisis. But, the ability of landlords to evict people without cause and no ability to implement local rent stabilization further exacerbate the problem and fuel the displacement crisis.

House Bill 2004 provides needed tools to local jurisdictions to stabilize their communities. By banning "no cause" evictions and requiring landlords to state a reason for evicting their tenants, we can ensure that termination notices are not used to discriminate, retaliate, or facilitate economic evictions. Lifting the preemption on rent stabilization allows local jurisdictions to initiate policies that can prevent displacement. As you heard from Dr. Barton on Tuesday, moderate rent stabilization programs are the best anti-displacement tool out there. Local governments should be allowed to have a conversation about how and whether they want to use that tool.

If Oregon is to grow and thrive, Oregonians need stability and predictability. And that means housing they can count on. Please support House Bill 2004 and the remedies it provides.

Thank you for your attention to this important issue.