

Dear Chair Keny-Guyer, Vice-Chair Olson, Vice-Chair Sanchez, and members of the Human Services and Housing Committee:

I believe I come to our present housing crisis from a slightly different perspective than most of the people whose testimony I have already reviewed in that I see the perspectives and concerns of both Landlords and Tenants. As a technician and aficionado of Oregon Landlord-Tenant Law, I am far more concerned about haphazard tinkering with the mechanism of Oregon Landlord-Tenant law in a manner certain to bring about unforeseen and almost-inevitably deleterious effects. This may result in some short-term political advantage to favored stakeholders; but it will end up harming all stakeholders, Tenants most of all. As a Committee, you are uniquely placed to either gift our beloved Oregon with carefully-considered and well-crafted Legislation which benefits all or damn it with crap.

My family has been in the low-income housing business since the 40s, so I am sympathetic to the perspective of our Landlords. I am also keenly aware of the mobility of Capital and the razor-thin margins of the industry. We have traditionally avoided direct governmental involvement in housing because it is an industry which relies on cost control to remain viable—a quality with which government has not always exhibited full mastery.

At the same time, my profession is to advocate for Veterans and Veteran Families throughout the State who struggle with housing stability, so I obviously empathize with the challenges of Tenants throughout your Districts and the entire State. Our Veterans struggle mightily with housing stability.

We know that:

- approximately 33% of homeless males in the U.S. are Veterans;
- Every single night almost 58,000 Veterans in America are homeless, which equals the number of service members who died in the Vietnam War;
- Veterans are twice as likely as other Americans to become chronically homeless;
- Veterans represent 11% of the adult civilian population, but 26% of the homeless population; and
- the risk of women Veterans becoming homeless is four times greater than for male Veterans.

This is an area of deadly seriousness for my Veterans and Veteran Families, and I beg you to carefully consider the human cost of short-term political profiteering. This is far too important to treat unseriously.

The proposed legislation, HB2004, is bad public policy.

As this Committee is no doubt is aware, ORS Chapter 90, the Oregon Residential Landlord-Tenant Act is derived from the Uniform Residential Landlord-Tenant Act (URLTA). This Act was carefully fashioned and released to the public in 1972 by the Uniform Law Commission.¹ As described by that Commission, the URLTA “removes the landlord and tenant relationship from the constraints of property law and establishes it on the basis of contract law with all the concomitant rights and remedies.” This is critically important, because contract law is intended to permeate and inform the relationship between Landlord and Tenant, with the necessary implication of equality under the law.

¹ The Uniform Law Commission “provides states with non-partisan, well conceived, and well drafted legislation that brings clarity and stability to critical areas of state statutory law.” The URLTA has been adopted, in whole or in part, in twenty-six States.

The URLTA intentionally altered the relationship between “have” (property owner) and “have not” (non-property owner) to one in which the interests of both parties were balanced in a fair manner. As with all Uniform Acts, every part of the URLTA was carefully crafted with every other part in mind. It sought to find that delicate balance in which both Parties are treated fairly while at the same time not overbalancing in a manner likely to disincentivize prospective Landlords from providing additional housing stock. Unlike the completely discredited central-planning concept of “Wage and Price Controls,” it has been clearly established that additional housing stock inevitably ensures increased competition with attendant market-driven decreasing prices and increasing quality. For all.

The Uniform Law Commission’s intent in the URLTA, as it was in the Uniform Commercial Code and all of the Uniform Law Commission’s proposed legislation, was to leverage proven concepts in a manner advantageous to all parties. Almost forty years of evidence accumulated before there was consensus that the URLTA needed to be revisited and updated.

In 2011, the Uniform Law Commission convened a Drafting Committee to update the URLTA, specifically to discuss the two areas of the URLTA that had been insufficiently addressed in 1972: Domestic Violence and Security Deposits. The Committee was comprised of the foremost experts in the field, most of whom have dedicated their professional lives to this area of the law. The Committee worked for three years to update and reform the URLTA in order to carefully and fairly rebalance the interests of all stakeholders, and the Committee was greatly assisted by extensive testimony from interested stakeholders. This was the opposite of the “Gesture Politics” that too often results in poorly-crafted legislation which inevitably causes more problems than it solves.

HB2004 is not just bad legislation, it is cynical and unprincipled: HB2004 places a thumb on the scales of justice to favor one politically-sympathetic group of stakeholders over another, politically-unpopular one. This is not remedying unfairness, but instead codifying unfairness in a way certain to visit mischief upon the very people whom you purport to want to help: Tenants. Just one (hopefully) unintended consequence of HB2004 will be the effective abolition of fixed term tenancies.

This much is guaranteed: The proposed bill will fail; that is obvious, just as prior attempts to micromanage markets have invariably failed. But the failure will have its own cost. Our Legislature exists to provide a stable framework within which our people can go about their lives, not to use the coercive power of the state to lift one group up while putting another down.

There is critical work to be done in updating ORS Chapter 90, and a legitimate use of government resources might be to guarantee representation to FED Defendants in the same way that criminal defendants are protected. In Legislation, less is more. However, that is not the meaning, import, or effect of HB2004.

Happily for this Committee, there is a ready-made and carefully-constructed template to guide a *comprehensive* update of Oregon Landlord-Tenant Law: The Revised Uniform Residential Landlord and Tenant Act (2015). I would respectfully encourage this Committee to table the proposed HB2004 and devote your energies to a comprehensive and balanced update of ORS Chapter 90.

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