

As a lifetime Oregonian, I am troubled by the proposals contained in HB 2004 that would end the statewide prohibition on rent control and severely curtail a landlords ability to end a tenancy without stated cause. While I can appreciate the legislatures desire to protect Oregonians from sudden and dramatic rent increases and the unexpected loss of housing, the proposed bill is rife with unintended consequences and, ironically, will do nothing to achieve its stated goals.

While obtaining my degree in economics from the University of Oregon, I learned that no credible economist in the world--from Paul Krugman to Milton Friedman--believe that rent control is an effective means of achieving a stable, adequately supplied rental housing market. This widespread agreement among economist that rent control does not work is likely rooted in the fact, although rent control has been tried in many different times and places, the record provides zero examples of rent control producing a better rental housing market for either landlords or tenants.

We've seen the price of rental housing skyrocket in Oregon, primarily because so many people have been moving to Oregon . As long as Oregon's population and, by consequence, the demand for rental housing continues to grow, upward pressure will continue to be placed on rents. The only meaningful way to combat this pressure is to increase the supply of rental housing. At a time when the legislature should be examining policies that would encourage investors to expand the supply of rental housing and bring much needed relief to the rent inflation problem, it is disheartening that they are instead focusing on policies that will discourage the expansion of the housing supply and place additional upward pressure on rents.

Too often policy makers buy into the Marxist worldview that people should be categorized as "haves" and "have not's" and that the interest of the two groups are diametrically opposed. One thing I've learned in my experience as a landlord, is that my tenants and I, more often than not, have the same interest and incentives. I've also learned that the no-cause notice can be critical tool in protecting the interest that my tenants and I share.

For example, in a four unit building I own, the residents of one of the units developed and drug problem and repeatedly engaged in noisy behavior (parties, loud music, etc) that began to make life unbearable for the other tenants. I would give the unruly tenants notices as it came to my attention that they engaged in conduct that violated our rental agreement, but because the tenants would always correct the specific problem for which I gave them notice, I was never able to require them to move "for cause." As the violations piled up over time, however, it became apparent that the tenants were not acting in good faith and my other tenants would soon be looking for quieter places to live if I didn't get the unruly tenants under control. Ultimately, I elected to give the unruly tenants a no-cause notice because it became clear they weren't going to stop their unruly behavior and I needed to protect my other tenants right to have a quiet place to live.

This story underscores that while the "no cause" notice is being depicted as an anti-tenant tool used by unscrupulous Landlord's who want to dramatically raise rents, in practice, the no cause notice is often used by Landlord's to protect the rights of other tenants in a multi-unit situation and to ensure the livability of the units.

At the end of the day, the policy changes proposed in HB 2004 are bad for both Landlords and Tenants. I urge you to vote no on the bill.

Jared Houser
541-556-9358