

December 18, 2020

(via email)

**Co-Chairs Courtney and Kotek, Members of the Joint Committee on the Third Special Session**

RE: Opposition to LC 18

The Oregon Association of REALTORS® (OAR) is a nonprofit trade association that represents over 17,000 REALTORS® statewide. OAR thanks you for this opportunity to comment on the LC 18 relating to residential evictions.

In these unprecedented times, our industry understands the very real impacts that tenants, landlords and homeowners are all facing. Particularly with the incredible unemployment rates that have occurred in response to government actions aimed at curbing the spread of the COVID-19 virus. Housing has never been more fundamental, as Oregonians across the state have been directed to shelter in place.

Given these economic hardships, our Association has been supportive of targeted relief for residential tenants experiencing financial difficulties during the pandemic. Of note, this relief has often times not had corresponding relief for owners of rental properties. Our Association ultimately supported HB 4213 in the second special session, with the understanding that the moratorium on evictions would end in the fall of 2020. Despite assurances there would be no further extensions, the Governor extended the moratorium through December 31, and the legislature is now considering extending all the way through June 2021. This means landlords are facing the potential of no payments for 15 months. At the same time, property taxes have not abated for 15 months, mortgages have not abated for 15 months.

Recognizing the fundamental need for housing, our Association would support a further extension of the moratorium in a fair and just manner. The funding found in LC 18 is a good first step, with recent estimates finding that there is approximately \$350 million in unpaid rent that has accumulated statewide.

That being said, our Association has **significant concerns** with the language found in LC 18. **Of particular concern, Section 2(1)(d) requires a landlord to forgive 20 percent of outstanding rent in order for the state to cover the tenant's financial obligation.** The state has asked a specific segment of the private population to entirely cover a societal benefit. The language in Section 2(1)(d) is patently unfair and has no sound justification.

The House Housing Committee discussed several alternatives for the remaining 20% obligation of tenants, including potential tax credits. Unfortunately, apparently a unilateral decision has been made to cut off that conversation and to move forward with requiring unjust forgiveness.

We respectfully ask that you amend the bill to allow for a conversation for the full 2021 Legislative Assembly around the remaining financial obligations of tenants statewide.



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