



Sybil Hebb
503.936.8959
shebb@oregonlawcenter.org
522 SW Fifth Avenue, Suite 812
Portland, OR 97204

**Informational Hearing before the Interim Senate Housing Committee
November 17th, 2021**

Re: Current Nonpayment Eviction Landscape

Chair Jama, Vice-Chair Anderson, and members of the committee, thank you for the opportunity to speak with you this afternoon regarding the updated landscape regarding nonpayment evictions since the expiration of Oregon's eviction moratorium at the end of June, 2021.

Background:

The nonpayment eviction moratoria put in place by the Governor thru executive order at the beginning of the pandemic, and continued by this Legislature, saved lives and protected housing stability as the economy shut down and the pandemic raged across the state. OLC is deeply grateful that Oregonians were largely protected from displacement during this time. The moratorium expired on June 30th of this year, and since then, rent has been due on time at the beginning of every month.

During the 2021 regular session, this Legislature took action to pass Senate Bills 282 and 278. These bills were designed to provide a bridge for struggling tenants after the expiration of the moratorium. Until February 28th, 2022, Senate Bill 282 provides a grace period for repayment of back-due rent that had accrued during the moratorium. And Senate Bill 278 provides a 60-day safe harbor from eviction for nonpayment of current rent, for those tenants who can show documentation that they have applied for rent assistance, and their applications are pending.

Senate Bill 278 was designed to be a bridge for tenants after the expiration of the moratorium, and was passed with overwhelming support for the concept that no family should lose their home to eviction while waiting for available rent assistance to arrive. At the time of passage, it was thought that applications could be processed and payments made during the 60-day safe harbor period. However, the challenges brought by the sheer immensity of need, and the complexities of administration of the new assistance programs, have meant that thousands of tenants remain unprotected from the risk of eviction, despite having applied for the new rent assistance benefits in a timely manner.

Current Landscape:

Since we last spoke with the joint committees in early October, while our community and state agency partners are working around the clock, and have made improvements, the eviction risk landscape has gotten worse. **We are failing to meet the needs of thousands of low-income households who have applied for help that we have available, but that we cannot provide within the safe harbor from eviction. We must take urgent action to ensure housing stability for tenants who have applied for assistance and who are waiting in line for applications to be processed and landlords to be paid.**

Information shared in an [update](#) from OHCS last week about the status of rent assistance distribution and processing at state and local levels made it clear that roughly 13,000 Oregon households that have applied for assistance are already past their safe harbor dates. That means they can be evicted for nonpayment even as their rent assistance applications go through the system. This number has only grown since the last hearing in October, when the number of applicants past their safe harbor dates was [reported](#) to be 11,900. OHCS [Dashboard](#) data shows that close to 15,000 additional applications are also in the system, waiting for review and getting closer to their expiration dates every day. Unless we take swift and protective action, close to 28,000 households are at risk of eviction as winter rapidly approaches.

It is unacceptable that low-income Oregonians are facing preventable, unnecessary, and tragic evictions when we have the funds to pay for their pending applications. We must act to protect tenant stability while applications are pending and landlords get paid.

In addition, new applications continue to come in at a rapid rate, reflecting continued need across the state. As OHCS has indicated, while we have reliable funds available to pay for pending applications, it is becoming clear that we will soon run out of funds to pay new applications submitted in the coming weeks. While we hope to receive additional federal funds as early as the spring, we need supplemental state resources to ensure that we have the capacity to pay for new applications submitted this winter.

If we don't act now, a renewed displacement crisis will hit at an extremely dangerous time:

- The most recent (September 29 – October 11) national PULSE [household survey](#) indicates that more than 67,000 Oregon renter households are “not at all confident” they can make next month’s rent payment, and more than 18,000 households feel they are “very likely” to lose their housing through eviction in the coming two months;
- Oregon’s Black, Indigenous, and communities of color have been [disproportionately impacted by the COVID pandemic](#), and have needed to seek rent assistance at [higher rates](#);
- The COVID pandemic drastically exacerbated [income inequality](#) in our state – while many family incomes have thrived over the past two years, low and middle wage earners experienced significant losses from which they have not recovered;
- Oregonians’ [financial worries are growing](#) statewide despite falling unemployment rates;
- [Tens of thousands](#) of Oregonians have lost unemployment insurance benefits without a safety net;
- Oregon already has one of the [highest rates](#) of unsheltered homelessness in the nation and one of the [highest rates](#) of student homelessness.

Tenants’ experience in eviction court has illustrated many of the ways in which our current systems are failing to meet the need. Data below illustrates that nonpayment evictions are happening in increasing numbers and resulting in preventable, unnecessary, and tragic displacements of hundreds of Oregon households who ought to have been protected by rent assistance and the safe harbor. Those numbers are but the tip of the iceberg of displacement, and will rise significantly in the coming months as more safe harbor periods expire, if the Legislature does not act.

Oregon Statewide Eviction Filings	2021 <u>monthly average</u> (Jan-June, while moratorium in effect)	July	August	September	October	November (through 11/12)
Total eviction filings	377	752	909	882	770	402
Total Nonpayment eviction filings	66	361	463	478	417	209
Preventable and Unfavorable Outcomes* of Nonpayment filings		41%	38%	39%	38%	<i>Too soon to have statistically significant data</i>

**Preventable/Unfavorable Outcomes: This is the percentage of nonpayment filings for each month that resulted in one of the following: default judgment against tenant, tenant court agreement to pay and/or moveout, case set for trial when 278 set over should have been available or rent assistance should have been already paid, or judgment for landlord.*

When viewing eviction filing data, it is critical to note that these numbers represent just the tip of the iceberg of displacement faced by tenants. Nonpayment eviction court cases have increased sixfold since July, but these cases are just the tip of the iceberg. Many tenants self-evict after getting a nonpayment termination notice and after realizing they have no hope of paying what is owed without rent assistance. The reason they are just the tip of the iceberg is because many tenants flee their homes – out of fear, intimidation, or misinformation – before the eviction process gets to the courts.

There is not a public way of seeing data on pre-court displacements, but we know there is widespread displacement happening across communities as tenants lose hope they will ever receive protections. A 2021 University of Washington School of Public Policy [study](#) found that 5 times the # of tenants were displaced informally (thru threats, fear, eviction notices, etc) than are displaced through the eviction filing process. This multiplier has increased significantly from [pre-pandemic data](#), due in large part to the extreme housing affordability crisis and the disproportionate impact of the COVID pandemic and financial crisis on people who rent their homes.

For all of these reasons, OLC and more than 60 local and statewide advocacy, health care, faith-based organizations as well as housing providers, local governments and labor unions have [called for](#) a special session to ensure that no family is evicted while help is on the way.

In closing, it is worth repeating: No tenant who has applied for assistance should lose their home because of nonpayment while we have significant and available state and federal dollars sitting there to help them. And, yet, this is exactly what is happening to an increasing number of tenants across the state. Evictions have long-lasting consequences, and further exacerbate the impacts of systemic disparities suffered largely by people of color and low-income communities. Nonpayment evictions at this time are tragic, unnecessary, and entirely preventable.

Oregon has taken strong steps to protect housing stability throughout the pandemic, working on creative solutions during one of the most difficult times our state has ever faced. We appreciate your leadership and support in prioritizing these issues. If we do not take bold action now, the families we have all worked so hard to protect will face eviction in spite of hundreds of millions of dollars available to help them. Every nonpayment eviction during this time is preventable. We have a responsibility to take swift and protective action.

Thank you for your time and for your dedication to Oregonians.