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Informational Hearing before the Interim Senate Housing Committee January 13th, 2022

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 about the updated landscape regarding nonpayment eviction.

On behalf of the Oregon Law Center, we are very grateful for the recent bi-partisan passage of <u>Senate</u> <u>Bill 891</u> in the 2021 2nd Special Session. This committee will remember that Senate Bill 891 expanded on protections passed during the 2021 regular session (in Senate Bill 278) that were designed to ensure a safe harbor from nonpayment eviction for tenants who have applied for rent assistance and given their landlords documentation of their applications. SB 278 provided a 60 day safe harbor, but when it became clear that the extreme volume of applications created a backlog that could not be processed within that time frame, the legislature took steps to ensure that renters who applied for assistance prior to June 30, 2022 would be protected during the pendency of their applications, for the time it takes to process the application and for landlords to get paid. All applications must be processed by September 30th, 2022, when the protection expires. The bill also expanded the Landlord Guarantee Fund, to ensure that landlords receive payment for any safe harbor period in the event the rent assistance application were denied or closed without payment.

Passage of Senate Bill 891 delivered on the promise and principle that no tenant should be evicted for nonpayment while their rent assistance application was being processed. Since the bill took effect on December 14th, 2021, we have heard from our clients and from our community partners of the relief and stability that these protections have provided. Renters across the state who had applied for rent assistance found comfort in knowing that they would not lose their homes in the middle of winter while their applications were being processed and checks were being paid.

The eviction filing data being tracked by the statewide legal aid Eviction Defense Project (see attachment and below) reflects that the legislature's nonpayment eviction protection laws have been very effective at reducing displacement and protecting stability throughout the pandemic and its aftermath. While nonpayment eviction filings statewide spiked from prior months in the beginning of December, after passage of SB 891, they were significantly reduced. In Multnomah County, <u>filings</u> <u>went down</u> 50% after passage of the bill. It is too early to have detailed county statewide data for the month of January, but we will be happy to keep the committee up to date about future developments.

OLC is equally grateful for the recent investment in <u>HB 5561</u> of more than \$200 million dollars into state rent assistance and eviction prevention resources. These investments will ensure that low-income tenants have continued access to rent assistance resources in these final months of the pandemic and as the February 28, 2022 expiration of the grace-period for back-due rent is drawing near.

Oregonians are continuing to struggle to make ends meet, and economic recovery from the impact of the pandemic is eluding low-income renters. We are still in the midst of an extreme housing crisis, and despite record levels of unemployment, the <u>P.U.L.S.E. census household survey</u> from December 2021 indicates that more than 66,000 Oregon renter households had very little confidence in their ability to pay January's rent.

Ensuring prompt and statewide access to the new state rent assistance dollars will be critical to the housing stability of these struggling households during this crucial next few months as we come through winter, head past the grace period, and hopefully find further economic recovery in the spring. We appreciate the effort by Oregon's Housing and Community Services Department to ensure prompt re-opening of the statewide application portal so that there is equal access to assistance on a statewide level for all struggling Oregonians, and urge this re-opening as quickly as possible so as to be effective in preventing January eviction spikes.

In closing, we know that evictions have long-lasting consequences, and inflict generational harm on those who have been displaced. This legislature has taken strong steps to protect housing stability throughout the pandemic, and we greatly appreciate your leadership and support in prioritizing these issues. The work done over the past years of the pandemic has shown us that when we work together, we can respond to crises and consider fundamental change.

In the coming months, we hope to work with partners and stakeholders to gather lessons learned so that our system interventions best prioritize housing stability and eviction prevention on an ongoing basis. We look forward to convening future discussions in the 2023 legislative session with the goal of designing long-term solutions.

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