

HB 2101 -3 STAFF MEASURE SUMMARY

House Committee On Housing

Prepared By: Claire Adamsick, LPRO Analyst

Meeting Dates: 1/26, 3/9

WHAT THE MEASURE DOES:

Allows landlords to apply for assistance under the Housing Choice Landlord Guarantee Program by submitting to the Housing and Community Services Department an application instead of a court judgement. Application must be submitted within one year of tenancy termination, repossession of a dwelling unit, or termination of Housing Choice Voucher Program payments, whichever occurs later. Replaces \$5,000 financial assistance cap for landlords with \$5,000 assistance cap per eligible tenant in Rent Guarantee Program. Removes the term “local” as a qualifier in referencing any housing authority.

ISSUES DISCUSSED:

- Decreasing utilization of Housing Choice Landlord Guarantee Program
- Potential impact and reach of Rent Guarantee Program through removal of per-landlord financial assistance cap
- Program reach to rural communities
- Request for information about landlord participation rate

EFFECT OF AMENDMENT:

-3 Clarifies that the state's housing authorities share responsibility for annual reporting and review procedures regarding each authority's participation in the Housing Choice Voucher Program. For Rent Guarantee Program, clarifies that financial assistance payment cap is applied on a per-request basis.

No revenue impact; Fiscal impact statement issued.

BACKGROUND:

The Housing Choice Landlord Guarantee Program provides financial assistance to landlords to cover costs associated with damages incurred during a tenancy, including property damage, unpaid rent or other damages caused as a result of a tenant's occupancy under the federal Housing Choice Voucher Program, also known as the Section 8 program. Housing authorities facilitate landlords' participation in the program, and a Statewide Housing Choice Advisory Committee evaluates program participation and effectiveness for landlords and tenants.

Tenants who are low-income, experience poor credit history, criminal history, eviction history, or other barriers to obtaining housing may be eligible for the Rent Guarantee Program. The program provides tenant training to encourage a successful tenancy. Landlords who rent to tenants in the Rent Guarantee Program may submit a request for financial assistance for reimbursement of unpaid rent or payment of eviction and damage costs incurred during the first 12 months of tenancy. Since the program's inception, more than 2,000 tenants in 23 counties across Oregon have graduated from the Rent Guarantee Program, and 74 landlords have participated.

Oregon Housing and Community Services administers these programs, and suggest that the proposed changes will increase the utilization rate for both programs.

House Bill 2101 removes the requirement for landlords to obtain a court judgement before applying for assistance from the Housing Choice Landlord Guarantee Program, and instead requires that landlords submit an application to the Oregon Housing and Community Services Department. It replaces a \$5,000 per-landlord cap with a \$5,000

per-tenant cap for parties participating in the Rent Guarantee Program.

PRELIMINARY