

March 4, 2021

Oregon Senate Committee on Housing and Development

Re: SB 282

Dear Committee Members,

By now we are all well acquainted with many of the negative financial ramifications brought about by the COVID-19 pandemic.

The effects of this illness have brought hardship to a multitude of families and businesses throughout Oregon and across the country.

Although I sympathize with all individuals and families struggling to meet their rental obligations, I also, must draw your attention to the fact that simply being an owner of rental property does not equate to one having unlimited funds necessary to withstand months without income from our rental units. For many, including myself, this income is not some form of extra cash to be used for some extravagance. These rental properties, are my only source of income, and without this money I could not afford to pay my expenses including, food, housing, heat, insurance, property taxes, etc. Further, I own one unit as my main IRA asset, and if there are no rents, there is no possible way that I, being 72 years old, could provide myself the required minimum distribution necessary to satisfy the Federal requirements since the asset (property) value itself is the major component of the distribution formula. Thus, I would be subjected to all penalties and punishments associated with noncompliance to this federal requirement.

Other major inequities include the fact that there are no apparent requirements for tenants to verify how much money they are receiving monthly, or what other assets they may possess, that would indicate their ability to meet their rental obligation. I am also unaware of any format in place to determine how their income is being spent. Although I am certain that this is not the intent, the fact remains that this legislation creates an opportunity for a renter to use this crisis to delay or totally evade paying their fair rent, as there are really no consequences for this action. Finally, there can be no logical connection between COVID relief, and altering a contract that dictates the number of guests allowed, and the duration of their stay. This simply appears to be a maneuver that takes advantage of the current pandemic to achieve a politically desired outcome.

Please understand that rental properties must remain mutually beneficial for both the renter and landlord or it will make no sense to retain these properties as rentals, and should that occur, the tenants will be the ultimate losers.

Sincerely,

John Scott

Florence, OR