

03 April 2021

To: Senate Committee on Housing and Development

Re: Senate Bill 330

Dear Chair Senator Jama, Vice-Chair Senator Linthicum, and members of the Committee:

It is amazing that in the 21st century a bill like this is needed. Nevertheless it appears we have entered a time when private property rights have been thrown out the window. Perhaps condemnable changes to private property rights such as has been happening will just need to be gotten used to. It makes me wonder what else is coming down the pike.

In the 3rd special session last January, rental property owners were tossed a bone; The state will (allegedly) pay 80% of unpaid rents to rental property owners—maybe—but only if we'd relinquish the missing 20%. What is fair about that deal? Nothing.

True to form, and in typical bureaucratic fashion, after creating the problem, government now offers to fix it. So this bill proposes to toss us another bone, suggesting the forfeited 20% would be "returned" to us in the form of an income tax credit, which of course provides less immediate financial relief from the onerous burdens the eviction moratorium has caused.

Aside from the debatable benefits of a tax credit, SB 330 affirms what HB 4401 was unable to get enough support for last winter during the 3rd Special Session. SB 330 is an admission that reimbursing the full 100% of monies lost (or, depending on one's point of view, stolen) was, at the time—and is still now - the right thing to do. SB 330 is just playing catch-up to what should have already been done. In essence, if SB 330 passes, we are more or less right back where we were last winter.

There are some sound arguments being spoken against passing this bill which have raised doubts in my mind as to its long term effectiveness. In large part SB 330 is turning Oregon's Department of Revenue, normally used to raise funds, into some sort of funding program itself. Had the full 100% reimbursement been approved at the time it was debated last January, the committee's time and energy would not now be taken up with this tax credit business.

Should we thank those who came up with the final reading of HB 4401? Thanks for keeping it simple?

My wife and I are a classic example of the 'mom & pop' rental property owners. We (had been) augmenting my Social Security benefit with rental income, all the while providing a safe and sound rental house for members of our community. In case you're wondering, all the required repairs and upkeep to maintain said property, the property taxes and insurance have continued all along to roll in. Our tenant is currently \$8,810 in arrears. And as far as we know (guessing, actually, as there's no way for us to discover) they have not availed themselves of any financial assistance. And if they have done so, none of it has been used to pay back any rent owed.

Isn't the 14th Amendment to our nation's Constitution still in effect? Where did our property rights go? What happened to equal treatment under the law? How did rental property owners become the bad guys in this story? To be clear, it is not *the pandemic* that is the root cause of this problem we're dealing with in HB 4041 and SB 330. It is solely the governor's moratorium—and continued extensions thereof - on evictions for unpaid rents. That is why this Committee is hearing this bill today. Period.

So in spite of the dubious diddling around with the Constitutional mandates of our Department of Revenue, and in order to cut our losses and recoup whatever we can out of this mess, I will suggest the committee pass Senate Bill 330.

From what I've information I've gathered, due to the manner in which tax credits may be used, it will benefit larger rental property holders much better than those with one or two homes to maintain. Perhaps that was the intent last January when 100% reimbursement was voted down—on the final reading. By the way, who were swayed prior to that 3rd reading? The 100% reimbursement had been passed on both the 1st and 2nd readings.

Using the Department of Revenue to oversee this program is probably going to bite us all in the ass at some later date. Speaking from the small guys perspective, I can only say that what SB 330 offers is only, at bottom—better than nothing.

Sincerely,



Richard Wisner