

January 24, 2023

House Committee on Housing & Homelessness Oregon State Legislature 900 Court Street NE Salem, OR 97301

RE: Opposition to HB 3032

Good morning Chair Dexter, members of the committee,

My name is Alli Sayre and I'm the elected organizing coordinator for Portland Tenants United, the Portland city-wide tenant union. Through organizing, direct action, coalition building, and civic engagement, Portland Tenants United fights to keep people in their homes, and to achieve dignity and security for all tenants. I am here to testify in opposition to House Bill 3032 as written, which would allow landlords who rent out a room in their principal residence to deduct up to \$12,000 in collected rent from their taxable income.

HB 3032 feels like another attempt for the legislature to give more money to rich people under the guise of solving the housing crisis. Co-housing is not stable housing. Co-housing tenants have few rights compared to conventional tenants; specifically, they have no protection against no-cause evictions. And tenants who live with their landlords are not entitled to relocation payments if they are evicted. Apparently, according to Senator Knopp, that is a feature and not a bug.

It seems like the authors of this bill understand this fact, considering they wrote in the bill that one only has to have a tenant for three consecutive months in order for that rental income to qualify for the deduction. And landlords "may" charge up to \$1,000 per month. Is the legislature trying to find housing for Oregonians or for travel nurses? It feels like an especially big slap in the face to tenants to potentially have landlords receive a tax deduction when the bill to allow tenants to deduct rent from our income only covers up to \$5,000 paid and is very unlikely to pass currently.

I have lived with my landlord before. It is like living with your parents. It is not a long-term housing situation for most people. In exchange for the inconvenience, the tenant ostensibly gets cheaper rent. It is completely nonsensical to allow a landlord who is already using the rental income to pay their mortgage, from which they can deduct mortgage interest, to double dip by claiming a second deduction on the income itself.





If the legislature wants to incentivize homeowners renting out rooms to long-term tenants, the bill's language should reflect that by requiring occupancy by the same tenant for the entire tax year, lowering the allowable rent charges to be truly affordable, and changing "may" to "shall" so that said limits are actually enforceable. And of course, any tax deduction for landlords must be accompanied by an equivalent deduction for tenants. Otherwise, the legislature will just be reinforcing our reputation as a state that prioritizes homeowners over renters, just like they did during the pandemic when they extended the foreclosure moratorium but not the eviction moratorium. As it stands, please vote **against** advancing HB 3032.

Sincerely,

Alli Sayre
Portland Tenants United Organizing Committee