

Submitter: Scott Smith

On Behalf Of:

Committee: Senate Committee On Housing and Development

Measure: SB799

Dear Legislators:

I am writing in opposition to SB 799.

Many economists (and conventional wisdom) would suggest that the challenges some residents are facing in the housing marketplace are caused by too many people chasing after too few homes. Two potential solutions are: 1. convince some people to leave the market (not likely to happen) and 2. Increase the supply of housing available, so that all that want it can find it at a price they can afford.

This may sound like pie-in-the-sky thinking, but I can assure you if we can get the housing market back to a situation of more homes than tenants, housing providers will quickly revert to offering no deposits, free rent for a month and a big screen TV for a signed lease. Some of you may think I am joking, but in the past that was EXACTLY what happened when there were more homes than residents and it can certainly happen again.

SB 799 will NOT get us back there! Increased regulation signals housing providers and the investment capital behind new housing projects NOT to invest in Oregon.....instead, take your money to Idaho, Montana, Texas or even Tennessee; any state with more reasonable laws for real estate investors.

So, increased regulation effectively puts the brakes on private development of housing. Honestly, SB 799 would likely be good for me personally. I am a small private housing provider (22 doors in Lane County for the last 24 years). Increased regulation leads to housing providers leaving the market which exacerbates the housing shortage which leads to pressure for higher rents to established housing providers like me. But I want to see the housing market come back into balance; as that is better for society in the long term.

Please don't take my word for any of this, ask credentialed economists. Just do not trust the tenant activists or the tenant attorneys pushing this bill. Some of these folks are well meaning. But, the self-appointed "Tenant Advocates" really do NOT speak for the rank-and-file tenants as they would lead you to believe. The vast majority of tenants know nothing about SB 799 or ORS Chapter 90 Landlord-Tenant statutes. The vast majority of residents simply want to rent a home, live in it, get along with their neighbors, pay rent and do what common sense has dictated for decades. They are too busy working, going to school or tending to family to be bothered by all of the increasingly complex nuances of landlord-tenant regulations.

Most people would say the emergency/crisis/pandemic of Covid-19 has crested. Housing providers did their part. It is easy for the advocates to push protections that they became accustomed to. It is unrealistic to ask housing providers to shoulder the burden to the degree that SB 799 requires. All tenants know (or should know) that they are responsible for paying rent for the home they are inhabiting.

SB 799 sends the wrong message to developers who are the long-term answer to solving Oregon's rental housing shortage.

Thanks for listening,

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