

Submitter: Susan Wheeler

On Behalf Of:

Committee: Senate Committee On Housing and Development

Measure: SB799

To whom it may concern:

I am writing in reference to the proposed Senate bill, SB 799. My husband and I are rental property owners, 2 properties, one passed on to us by my father upon his death and the second a home we previously resided in for 32 yrs. In reading the particulars of the bill, we are greatly concerned about the potential repercussions on property owners, particularly owners with a minimal number of properties.

Initially, postponing eviction proceedings based on nonpayment of rent puts owners such as ourselves at a significant disadvantage. To begin with, many such owners, ourselves included, often have mortgage payments and extending non-payment puts us at a direct disadvantage and necessitates mortgage payments from personal funds, out of pocket. In our situation, the rent income (after mortgage payments) is part of our retirement income and being required to delay pursuit of those funds again puts us at a disadvantage for our monthly income and bills. We have always been fair and flexible with our tenants and arriving at a point where we would need to pursue an eviction for this reason (which we have never done before) would mean we had tried all other available options. The eviction process is lengthy, expensive, and involved and not something we would pursue had we any other alternatives. Even though SB799 gives landlords the right to be reimbursed for attorney/legal costs, these funds would be difficult to collect as a tenant who is unable to pay their contractually agreed upon rent amount is unlikely to have additional funds to pay for such cost, a cost that would also not be covered through rental relief programs (likewise with any late fees or additional interest added to mortgages, should the payment be late). In addition, I am personally aware of a couple of situations where tenants accumulated/retained their unpaid rent amounts and went on to use it to purchase their own properties, leaving their landlords "holding the bag" on costs, including in one case, extensive (and expensive) repairs with no recourse to recoup those expenses.

These types of requirements are not imposed on other forms of business, such as automotive sales. While transportation is a relevant and necessary item for many to retain employment or access other resources, financial institutions are not required to fore-go payments for extended periods of time prior to attempting to collect funds or pursue repossession, and their potential losses are not as extensive as those of property owners. Property owners are legitimate businesses that warrant protections against misuses and abuses. The potential for damages and inappropriate usage increase in both situations should recourse be delayed. Private businesses need to be allowed to set rules/limits that enable them to run their businesses within the confines of reasonable consideration for others.

SB 799 presents another concern in negating owner originated safe guards on

additional occupants beyond those initially screened for tenancy in the name of “guests”. Screening and rental agreements allow landlords to protect their economic and property interests and provide for the needs of tenants at the same time. Property owners using their own pre-established criteria for their property rental allow them (us) to protect those interests. A requirement that opens the door for tenants to set their own standards for (additional) occupancy undermines property owner prerogatives and property rights. Rental law currently requires landlords to provide prospective renters with screening criteria that is consistent across the board for all applicants. Applicants are aware when they apply and sign agreements containing those specifications. Circumventing that process, along with other proposed changes puts landlords at a financial disadvantage compared to other forms of business, without allotting a means for compensation for potential damages or other forms of financial/property losses.