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## Public Hearing before the Senate Committee on Housing and Development February 27<sup>th</sup>, 2023

In Support of SB 603

Chair Jama, Vice-Chair Anderson, and members of the Committee:

On behalf of the Oregon Law Center, please accept this testimony in support of SB 603 with the Dash One amendment, which would test and study a guaranteed income program for low-income households that have applied for and qualify for, but do not receive, housing assistance. The bill with its amendment would provide direct \$1,000 monthly payments for two years, and would dedicate resources to a study to evaluate impact. Passage of this bill will help prevent the displacement of vulnerable low-income residents in communities across the state.

The Oregon Law Center (OLC) is a state-wide non-profit law firm whose mission is to achieve justice for low-income communities of Oregon by providing a full range of the highest quality civil legal services. Helping families maintain safe, stable housing is a critical part of our work. Housing is about much more than a roof over one's head; it is about opportunity, stability, and health. Without safe and stable housing, it is difficult or impossible for families to hold down a job, keep children in school, access neighborhood amenities, and stay healthy.

Oregon has one of the highest housing cost burdens in the nation<sup>1</sup>, and one of the lowest vacancy rates.<sup>2</sup> With rent increases of up to 14.6% allowed per year in buildings more than 15 years old, and with unlimited rent increases in newer housing, low and moderate income renters are at extreme risk of displacement from high rent increases. Displacement into a market that has few vacancies and high rents means the real risk of homelessness.

SB 603 with the Dash One amendment would allow us to provide assistance for a targeted population of people who have taken steps to apply for housing assistance, and qualify for housing assistance, but have not been provided assistance due to long wait lists. Where basic income programs have been tested, they have repeatedly been shown to be effective means of ensuring stability for vulnerable families.<sup>3</sup>

SB 613 will explore the possibilities for a guaranteed income program here in Oregon through a pilot program that will immediately help some 1,000 low-income households. The Portland State

<sup>&</sup>lt;sup>1</sup> <u>https://nlihc.org/gap/state/or</u>

<sup>&</sup>lt;sup>2</sup> https://www.lendingtree.com/home/mortgage/vacancy-rates-

study/#:~:text=Oregon%20has%20the%20lowest%20vacancy%20rate%20at%207.76%25%2C,doesn%E2%80%99t%20mean%20they%20have%20the%20fewest%20vacant%20homes.

<sup>&</sup>lt;sup>3</sup> https://www.washingtonpost.com/magazine/2022/10/24/universal-basic-income/

University Homelessness Research and Action Collaborative (HRAC) will work closely with DHS to design, recruit for, and administer this demonstration program. HRAC will provide the legislature with reports and will present recommendations for the future, based on the experience of this demonstration program and a review of findings from similar programs across the nation.

Studies have shown that with reliable access to small amounts of money, program participants have achieved massive change in their lives. A growing <u>body of research</u> based on the experiments shows that guaranteed income *works* — that it pulls people out of poverty, improves health outcomes, and makes it easier for people to find jobs and take care of their children.<sup>4</sup>

For the above reasons, OLC respectfully urges your support of this well-crafted and innovative measure to directly support vulnerable Oregon households that need and qualify for housing assistance, but who have been left without supports. This is a homelessness prevention tool and a household stability promotion. We appreciate the work and leadership of **Residents Organizing for Change** in bringing this bill forward, and thank the Committee for your time and attention to this measure.

<sup>&</sup>lt;sup>4</sup> <u>https://www.washingtonpost.com/magazine/2022/10/24/universal-basic-income/; see also https://www.washingtonpost.com/nation/2021/03/03/stockton-universal-basic-income/</u>