

To: Joint Subcommittee on Transportation and Economic Development From: Sybil Hebb, Oregon Law Center Date: March 7th, 2023 Re: Support for HB 5019 and the Dash 3 Amendment

Co-Chairs Sollman and Evans, and members of the Subcommittee,

On behalf of the Oregon Law Center, thank you for the opportunity to submit testimony in support of HB 5019 Dash 3, the homelessness prevention and response early investment package. This package reflects an unprecedented early investment in homelessness prevention, rehousing, and shelter expansion that flows through local communities across the state. These early investments set an example for the scale of investment needed for the full 2023-2025 biennium to address the scope of the need.

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. The majority of our client community is rent burdened – one emergency away from homelessness – or are houseless themselves, living either doubled-up or in shelter, or living outside without adequate shelter.

HB 5019 Dash 3 takes immediate action to address urgent need across the state by appropriating \$155 million in funds for homelessness prevention resources and rehousing services in alignment with the bipartisan and bicameral negotiated policy proposals set out in HB 2001. HB 5019-3 will provide:

- \$33.6 million to **prevent homelessness** statewide (Funding is anticipated to support the prevention of homelessness for 8,750 households statewide.)
- \$85.2 million to rehouse people experiencing homelessness and expand shelter capacity in *emergency areas*.
- \$27.4 million to **rehouse people experiencing homelessness** and expand shelter capacity in the 26 rural counties that make up the *Balance of State Continuum of Care*.
- \$5 million to federally recognized **Tribes** to address homelessness needs among tribal members statewide.
- \$3.9 million for emergency management response (OHCS and ODEM).
- Includes a focus on **youth homelessness prevention** and assistance.

HB 5019-3 will provide critical resources to address the human suffering caused by the housing crisis we're facing across Oregon. The bill directs government agencies to work together, across all levels of government, to make immediate and long-term changes to address this humanitarian crisis. As you know, Oregon is 4th in the nation of people per capita experiencing homelessness. The dedication of more than \$100 million in shelter and rehousing resources for people experiencing homelessness provides immediate relief to individuals and communities.



A priority for OLC is to see that resources are adequately allocated to homelessness prevention strategies. As we work towards long-term solutions by increasing housing supply, and as we work to address the immediate crisis of people living outside, we must also take swift and decisive action to prevent more homelessness. If we don't invest adequately in prevention, our efforts at intervention will be undermined. OLC would like to specifically appreciate the dedication of \$33.6 million in prevention resources in this early investment package.

Oregon has the 4th lowest rental vacancy rate in the country and renters are extremely rent burdened in our state. Four in 10 Oregonians rent their homes. According to the state economist, more than 50% of Oregon renters do not have enough money left over for food, medicine, and basic necessities. The situation is more serious for Black Oregonians, who are 30% less likely to be homeowners and more likely to be renters due to the legacy of historic policies that blocked Black people from purchasing and owning property in our state.

There have been an average of 2,178 eviction filings per month every month from October of last year, through the end of January this year, and over 86 % of these filings were due to nonpayment.¹ Each of these cases represents an Oregon household or family, at great risk of homelessness and the very real threat of having to sleep outside, in a vehicle, or in a shelter. Rent assistance is the single most effective tool at preventing the vast majority of evictions – making sure that landlords get paid and tenants stay housed. Prevention is far more cost-effective than response. Rent assistance is a smart investment today that will avoid higher human, financial, and societal cost tomorrow. We will continue to advocate for adequate investment in prevention resources in the 2023-35 biennium.

We are extremely grateful to Governor Kotek, legislative leadership, and this Subcommittee for recognizing the importance of moving swiftly with an urgent homelessness package to begin to address immediate needs in HB 5019-3. We look forward to future efforts to build on this down payment to ensure biennial budgets that are commensurate with the extraordinary crisis. Thank you for the opportunity to submit testimony.

¹ Data pulled from Oregon Judicial Department public records. See <u>https://olis.oregonlegislature.gov/liz/2023R1/Downloads/PublicTestimonyDocument/50686</u>