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Testimony Submitted by Hanna Osman, Policy Researcher/Analyst Oregon Consumer Justice To the Senate Committee on Housing and Development

03/20/2023

Regarding: Support for SB 611

Chair Jama, Vice-Chair Anderson, Members of the Committee,

For the record, my name is Hanna Osman, and I appreciate the opportunity to testify on behalf of Oregon Consumer Justice today in support of SB 611.

Oregon Consumer Justice (OCJ) organizes, advocates, and supports litigation to advance a justice movement that puts people first, ensuring all have the freedom to thrive and equitably share in our abundance of resources. For too long, flawed systems and economic policies that favor profits over people have stood in the way of this reality, with communities of color most often experiencing the most significant harm. Strengthened through responsive and reciprocal community relationships, OCJ is building a future where financial and business transactions can be relied upon as safe and where all Oregonians know and have recourse to exercise their consumer rights.

The rent crisis in Oregon is putting many people at risk of displacement and houselessness. Four in ten Oregonians rent their homes and already pay the ninth-highest rent in the nation (U.S. Bureau of Economic Analysis and the U.S. Department of Housing & Urban Development, 2023). The statewide stories of massive rent increases in communities large and small highlight the urgency of this crisis. Whether these increases are hitting entire buildings,mobile home parks, or individuals, each and every instance puts people at risk of displacement and houselessness.

SB 611 is an action that the legislature can take now to have an immediate impact on our state's housing crisis as we work on long-term solutions to increase supply and provide support to rehouse our currently houseless neighbors.



Here is the problem we are facing. Under current law:

- 2023 rent increases for properties 15 years or older can be as high as 14.6%. That is too high for anyone to afford, outpacing wages and Social Security payment increases.
- There are no limits on rent increases for buildings less than 15 years old. Reports of extreme increases such as 32%, 47%, and 50% are becoming more common. These increases are the functional equivalent of an eviction.
- When people have to vacate their housing through no fault of their own, Oregon's tight and expensive rental market makes it hard to quickly find a new home.

Under current law, SB 611 will:

- Limits rent increases to 3% + inflation with a maximum increase of 8% during a calendar year.
- Narrows the loophole, applying rent stabilization to buildings older than 3 years, which increases the number of people protected while exempting new construction.
- Increases relocation assistance to three-months rent to help tenants displaced through no fault of their own avoid houselessness. Landlords with four units or fewer are exempt from this provision.
- Sets no limits on rent resets between tenants.

We strongly urge you to pass SB 611 as a critical homelessness prevention strategy to protect seniors, families, individuals, and communities across the state from extreme rent increases and displacement.

Thank you for your consideration and your service to Oregon's communities.

