

Date: May 4th, 2023

To: Senate Committee On Housing and Development

From: Crystalyn Black, Policy Analyst for the Urban League of Portland

Re: Support for Screening Fee Transparency, HB 2680

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

My name is Crystalyn Black, and I am a Policy Analyst with the Urban League of Portland and I respectfully submit this testimony in support of House Bill 2680. The Urban League of Portland is one of Oregon's oldest civil rights and social service organizations, empowering African Americans and others to achieve equality in education, employment, health, economic security, and quality of life across Oregon and SW Washington.

Oregon's housing market has become unaffordable in the past 10 years. The few affordable options that exist are dwindling. In a most recent report from Forbes Home, which took data from the U.S. Bureau of Economic Analysis and the U.S. Department of Housing and Urban Development, Oregon ranks ninth highest in the country when it comes to rental prices.¹ Consequently, securing safe, affordable, and accommodating housing has become increasingly difficult during the pandemic. As a result, applicants must apply for multiple units, spending upwards of \$200 (e.g., four application fees at \$50 each) on applications, in the hopes of increasing their opportunity of successfully acquiring a home. Rental applications fees can be expensive for larger households and be a barrier for households with a low income. For many in our communities, the high cost, compounded with the competitiveness of the housing market, forces many to make difficult financial decisions, and could mean the difference between being able to feed one's family or stable housing.

Under the current law, landlords are required to return the fee if the application was not processed or if the unit is filled before the application was reviewed. However, applicants are not always notified regarding the status of their application, their background check, or the rental availability. House Bill 2680 provides transparency, clarity, and guidance with respect to management and processing of rental fees and increases the penalties for violating this law. The Urban League urges this body to act on this issue.

With House Bill 2680, landlords would be required to notify applicants when charging an application fee, as well as why and when the fee should be returned. This bill would specify the timeframe as 14 days or up to 60 days if the applicant is being considered for multiple units. Additionally, the landlord will confirm with the applicant that their background check was completed. The penalty for violating this provision would increase from \$150 to \$250. The language around application fee returns currently

¹ Joe Raineri (KGW), "Oregon Rent Prices Among the Highest in the Country, Report Finds", 2023.

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states "within a reasonable amount of time" which can be interpreted broadly. By clarifying this language, landlords will have a better understanding of how to comply with the law.

This bill has no fiscal impact and implementing these changes can lead to a rental search process that is transparent and equitable. Oregonians are looking for protection surrounding the rental process. Passing this bill is a step in that direction and we urge you to pass House Bill 2680.

Respectfully,

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