



A STRONG VOICE FOR OREGON'S WORKERS

TO: Chair Fahey
Vice-Chairs Breese Iverson and Kropf
Members of the House Rules Committee
FR: Catie Theisen, Oregon AFL-CIO
RE: SB 611B Support, Rent Stabilization

June 21, 2023

The Oregon AFL-CIO represents 300,000 workers across Oregon and is a voice for all workers in the legislative process. Safe and stable housing is inextricably linked to the safety and prosperity of workers and their families. It's critical that we address the housing and homelessness crisis with both short and long term solutions. As such, the Homelessness Prevention Package, including SB 611B, is essential for the health and well being of all workers by ensuring that the people who are housed today don't end up on the streets tomorrow.

We know that for far too many lower-wage workers, they are just one unforeseen medical bill or rent increase away from being on the brink of homelessness. A minimum wage worker making \$13.50 would need to work 68 hours a week to afford a 1-bedroom rental home at fair-market rate. To afford a 2 bedroom apartment at fair market rate, a worker would need to earn \$27.65 an hour.¹ Consequently, for minimum wage workers or even middle-income earners whose wages are not kept pace with inflation, even a small increase in rent could mean being on the brink of homelessness.

This has devastating effects on the economy: when working families become housing-insecure, it has lasting impacts on their industries, their communities, and their families that will likely be felt for generations to come. Consequently, it's a strategic and moral imperative for Oregon to make evictions rare, and when they do happen, more fair.

Lawmakers did the right thing passing SB 608 in 2019. But we are now facing extreme inflation and without SB 611B, the 2023 rate increase is an unreasonable 14.6%. Tens of thousands of renters are at risk of displacement due to these extreme rent increases. SB 611B provides reasonable and necessary rent stabilization for tenants, while protecting landlords' and developers' ability to maintain a reasonable profit. Studies show that just a \$100 increase in median rents in a community is tied to a 9% increase in homelessness in that community. Our current law is allowing extreme rent spikes and the results are playing out in eviction court. Between October and March of this past year, the average was more than 2,000 eviction filings a month, and approximately 86% of all filings were due to unaffordable rent.

The threat of homelessness is too close for too many Oregon workers. At a time when Oregon is experiencing some of the highest rates of homelessness in the nation, we cannot afford to let rent spikes go unchecked. We look forward to working with the legislature on these immediate solutions to keep people housed, and long-term solutions to increase the supply of affordable housing statewide to support local workforces and the economy at-large. We encourage your support of SB 611B .

¹ <https://nlihc.org/oor/state/or>