

February 5, 2020

## Testimony in Support of HB 4002

Chair Keny-Guyer, Vice-Chair Noble, Vice-Chair Williams, and Members of the Committee,

My name is Daniel Hauser, tax policy analyst for the Oregon Center for Public Policy, and I respectfully submit this testimony in support of House Bill 4002.

As this Committee has heard time and again, communities across the state are wracked by a housing affordability crisis. Half of all Oregon renter households are officially “cost burdened” and nearly one in four renter households spend over half of their income on housing. Not surprisingly, lower-income households are much more likely to struggle to afford the rent, with two in every three households with incomes under \$25,000 spending more than half of their income on housing.

A long-term rent assistance program would help many of these cost burdened renters attain safe, stable, and affordable housing. Under a rent assistance program, households typically pay a set percentage of their income in rent, and then the remainder would be covered by the program. This ensures that the resident pay a reasonable share of their income towards their housing, while the rent assistance program prevents housing costs from growing so high as to undermine the renter’s access to health care, food, and other essentials.

Rent assistance is an effective response to Oregon’s housing affordability crisis, one that delivers significant benefits to low-income renters and the state. Research has shown that rent assistance is effective at keeping families housed and preventing eviction and homelessness. Studies have found children whose families benefited from rent assistance have increased educational attainment and earnings as adults. Another study found that rent assistance is a good public investment, returning greater benefits to our communities than the cost to provide the support. *[This research, and more, are cited in our two recent reports on rent assistance, available at [www.ocpp.org](http://www.ocpp.org).]*

Oregon needs to create a statewide long-term rent assistance program, and this bill is an important step in getting us there. Evaluating the cost of providing such an important program to the Oregonians in greatest need is a thoughtful move to better prepare the Oregon legislature to enact a rent assistance program in 2021.

Please support HB 4002.