

February 23, 2021

Testimony in Support of HB 2163

Chair Fahey, Vice-Chair Campos, Vice-Chair Morgan, and Members of the Committee,

My name is Daniel Hauser, policy analyst for the Oregon Center for Public Policy, and I respectfully submit this testimony in support of HB 2163.

As this Committee has heard time and again, communities across the state are wracked by a housing affordability crisis. Prior to the pandemic, nearly half of all Oregon renter households were officially “cost burdened” and nearly one in four renter households spent over half of their income on housing. Not surprisingly, lower-income households are much more likely to struggle to afford the rent. Nearly nine in 10 Oregon renter households making less than \$20,000 are cost-burdened.

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 program covers the remainder. This ensures that the resident pays 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. Research has shown that rent assistance keeps families housed and prevents eviction and homelessness. Studies have found that children whose families benefited from rent assistance enjoy 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 reports on rent assistance, available at www.ocpp.org.]

While there are many Oregonians in need of long-term rent assistance, it is a thoughtful prioritization to start this program with a focus on youth who are exiting the foster care system or experiencing homelessness. These Oregonians are disproportionately Black, Indigenous, or other Oregonians of color and at a high risk of ending up homeless without targeted support.

This pilot should add to the long history of success of other long-term rent assistance programs, including the recent pilot enacted in Portland. Time and again, long-term rent assistance has proven to be one of the best tools to address homelessness and expand housing affordability. Hopefully, this pilot program will inspire the Oregon legislature to go further in the future, helping more Oregonians in need.

I urge you to support HB 2163.