



Dear Chair Dexter and Members of the Committee,

For the record, my name is Kevin Cronin, and I'm here on this bill on behalf of the Eugene Tenant Alliance. Eugene Tenant Alliance is a grassroots group of tenants that formed a political action committee to support candidates and ballot measures and legislation that helps renters in Lane County. We have elected delegates from major tenant organizations, tenant building unions, and residents of manufactured home parks. We have over 1500 members and passed Renter Protections Phase 1 in Eugene, which had a \$10 cap on application fees.

We support HB 3237 because it will grant us a consumer protection that was taken away in Thorin vs. City of Eugene. However, after talking with tenant leaders from around the state, we've proposed an amendment to this bill in order to get more tenant organizations to support. I've uploaded the amendment language as testimony on OLIS. The amendment would set a statewide cap of \$25 or local ordinance, whichever is lower.

Application Fees have become a sizable revenue stream for landlords. This is not what is intended in ORS 90, which has language intending for landlords to be able to recoup their costs. We have seen application fees as high as \$75/per adult. More than 2,000 Application Screening vendors exist in the United States alone, with prices and subscription models that vary. Some offer a fee per tenant model, some offer a monthly subscription model. We have a youtube video demonstrating that a background check can be conducted for less than \$10 in less than 10 minutes. We know reducing the cost of these fees is fairly easy, as landlords merely need to find a different vendor.

Landlords benefit the most from screening reports, and refusing to use portable screening reports shifts significant costs to applicants, which can be considered anti-competitive behavior and suppresses the market for a universal portable screening report. This bill allows for a universal portable screening report and we support that.

High application fees have severe negative consequences. Low income households with limited resources self select, and apply at places with lower application fees, contributing to racial and wealth segregation. Application fees are barriers to exiting homelessness, where a family applying for a new place has to shell out hundreds of dollars to apply, rarely seeing that money refunded.

Two states, Vermont and Massachusetts, have banned application fees entirely. Landlords in those states have shifted to a longer form written application model to discourage mass applications from less serious applicants.

It's time that Oregon reimagines how we can handle application fees. Please support HB 3237 and consider our draft amendment.

Sincerely,  
Kevin Cronin