

Submitter: Katherine Beale

On Behalf Of:

Committee: Senate Committee On Housing and Development

Measure: SB611

I am retired and my husband and I rent out one house. I wanted to comment first on how important it is to exempt small landlords from provisions that force us to pay tenants to move out. This is a form of tax, requiring a single party to pay another party to leave their property. If the government needs to have funds to support renters in transition there should be a general budget item for this, funded from all tax payers, and there should be a needs based application for the assistance. To simply direct a transfer of funds like this from one person to another without collecting general taxpayer funds and distributing them only as needed is an overreach of government function. Paying a tenant several months rent represents a quarter to a third of the income from my business for the year, gifted by the government to a single person who may or may not actually need it. I don't mind giving longer notices to leave but I strongly feel it is wrong to make the landlord pay tenants to leave, particularly when we already bear the risk of non-payment and the costs and difficulty of trying to collect. Also once eviction has started and they have been given chances to pay, they should no longer be able to remedy after the landlord has spent time and money going to court to evict.

Secondly I want to comment in general on the economics of this approach to solving the housing problems in Oregon. The housing market is obviously subject to the laws of supply and demand. Reducing price or increasing costs for sellers guarantees that prices go up and supply goes down. If demand is greater than supply the right approach is to make it easier to build and rent, not harder. Or make it easier to afford rent by providing government funds distributed through a needs based program. Creating programs that transfer funds from one specific person to another circumvents the basic responsibility of government to justify its taxes to the public and to assess their use as a component of a general budget, relative to other important uses of taxpayer money. It creates incentive for renters to abuse the program and fails to conduct a needs test. For example, if car rental companies had to go to court to get cars back from someone who rented the car and then kept it, and in addition had to pay that person a third of the rent they had paid so that they could get another car, no one would see this as a reasonable law. It is not the job of a specific landlord to pay for or provide public housing to persons in need. That is a government function that should be funded through more general taxes. Politically it is very damaging to the party in power to be seen taking this high-handed approach. I sincerely request that you go back to the drawing board on this.

Thank you for hearing these comments. I request that they be read aloud in the hearing.