



House Committee On Housing and Homelessness
900 Court St NE
Salem, OR 97301

February 16th, 2025

Chair Marsh, Vice-Chairs Anderson and Breese-Iverson, and Members of the Committee,

SETA is a non-profit, public service organization dedicated to renters' rights and interests. We provide free community resources, including our free Tenant Hotline, and we directly serve about 230 renter households every month through combinations of several programs.

SETA urges you to vote in support of HB 2967.

Application fees are an unregulated, unmonitored fee structure where landlords are passing 100% of the cost to those who may not even be considered for the housing. These fees can vary widely, often with no transparency or clear breakdown of the costs, leaving renters vulnerable to being overcharged. During public hearings related to application fees, at city and state levels, landlords have stated they charge anywhere between \$0 - \$90 per applicant, but provide no examples as to why the charges may be so wildly different.

With many communities at vacancy rates at 2% or below, finding a home is challenging and will take multiple applications to secure a home. This means that renters are spending \$300 - \$600, oftentimes being told "no" at the front door without their fees returned. Coupled with the [studies](#) that show that Black and Latino families typically submit 50% more rental application fees than their counterparts, **Oregon's current residential application system is simply a slower moving gentrification structure that is actively harming those most vulnerable in our communities.** This is to say nothing of those who have other significant barriers to securing rental housing - including criminal history, eviction history, disabilities, income disparity, and much more.

Tenants and housing professionals that we speak with on a regular basis are nearly always surprised to learn that their fees, if unused, can be returned back to them. The practice of having an application fee returned back is so underutilized that even this very clear consumer protection is very rarely practiced.



Passage of HB 2967 would increase transparency and fairness in the process, ensuring that landlords focus on evaluating applicants based on their ability to be good tenants, rather than on their ability to pay an extra fee. This would go a long way toward leveling the playing field for all Oregonians, particularly those most vulnerable in our housing market.

The **only** solution for renters to have their application fee returned is to take their landlord to small claims court. Renters who are actively seeking new housing and still spending hundreds of dollars for a *chance* of a new home. Renters who often have never been to court and face high legal fees and confusing judicial systems - which may take weeks or months to even resolve. Ask yourself if you would take a landlord to court for inappropriately withholding \$100+ from you; and you will see what a deleterious situation many renters across Oregon are faced with.

We urge you to vote in support of HB 2967 as a common-sense consumer protection in supporting those most vulnerable in our communities and to stop residential redlining from happening every day.

If you'd like to connect with me, please reach out to tmorris@springfeldeugenetenantassociation.com. Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Tim".

Timothy Morris
Executive Director
Springfield Eugene Tenant Association