

Submitter: Pete Simpson

On Behalf Of:

Committee: Senate Committee On Housing and Development

Measure, Appointment or Topic: SB722

Dear Chair Pham and senators on the housing and development committee,

I write to you in support of SB 722 which will stop landlords from using algorithmic services to collude to fix rent pricing.

As a Beaverton resident, my local community is impacted by this anticompetitive behavior more than most. Data from RealPage collected by Councillor Angelita Morillo's office suggests that Beaverton is likely the most impacted community in the Portland Metro area, with up to 33% increases in rent caused by anticompetitive practices. By the nature of these cartels, it is hard to find hard statistics because it's impossible to unmanipulate the market and the whole point is that much of the data being shared among landlords is not available to the public. This practice is transparently market manipulating trusts by another name. Please end it.

High rents continue to exacerbate the homelessness crisis affecting Portland and all of Oregon and are a burden on all Oregon tenants. One recent factor in raising rents is the use of third-party companies like RealPage, Yardi, and YieldStar to work together to fix rental prices. Anti-competitive practices make a housing market already failing to serve Oregonians even worse. These services allow landlords to skirt antitrust policies to create de facto cartels to drive up rent.

It is absolutely vital that bodies like this one, who are interested in housing all Oregonians, take action to end these practices among landlords in our state. This is the first step in stopping unfair, anti-competitive practices among landlords in the state. Hopefully more legislation will follow to create stronger enforcement mechanisms and go after other common malfeasance among landlords like tenant harassment, bad faith complaints, and non-adherence to minimum housing quality standards.

Sincerely,
Pete Simpson