

## **DEMOCRATIC PARTY OF LANE COUNTY**

To: Senate Committee On Housing and

**Development** 

From: Mike Koivula, Vice-Chair, Platform Committee

of the Democratic Party of Lane County

Re: Support for SB 722 – Prohibits residential

landlords from using certain software to set rents or occupancy rates AND opposition to

Amendments 1 and 2 of said SB722

March 25, 2025

Dear Chair Pham, Vice Chair Anderson, and Members of the Committee,

I am writing on behalf of the more than 100,000 Democrats in Lane County to urge your support of SB 722 and to oppose the amendments. This bill will help prevent software price-fixing in rental units, which are estimated to be in force in as many as 30% or more rentals. It will help prevent displacement and extreme rent spikes by extending coverage of our state's reasonable rent stabilization statutes to more units.

SB 722 will also extend Oregon's reasonable rent stabilization statute to more units. This will protect more renters from price-gouging and rent spikes by large corporate landlords.

There is no doubt that Oregon is in an affordable housing and homelessness crisis. Actions by the Governor and Legislature to increase housing supply are having great impacts now. The mandatory removal of zoning restrictions to middle housing are beginning to help our supply, but the affordability is not being improved. SB 722, unamended, will be a small step forward towards affordability for our many rent burdened citizens.

As our State began to implement minor rent control in 2019, it should be noted that there was not a subsequent decrease in construction, contrary to warnings by the builders. Instead, we are tracking increased supply that has not been seen since the recession of 2008.

Supply increases do not help our affordability crisis. For many low income, disabled, elderly or BIPOC Oregonians, rent is simply unaffordable. For every \$1 in wage increases, rents have risen over \$7. Currently, tenants are seeing increases in the mid to high hundreds of dollars per month and rents appear to

be rising to meet the current rent control cap. This is price gouging and does not help us house or prevent loss of housing for our citizens. We need tighter controls to try to alleviate this problem.

The -1 proposed amendment basically eviscerates the legislation. It is an absolutely unacceptable amendment and should get NO SUPPORT from anyone concerned with housing supply and affordability in Oregon.

The -2 amendment to change a 7 year exemption in the original bill to 10 years is not needed. If we see 10% increases yearly over a 7 year period, that compounds to about double the existing rent, at 10 years it is nearly 2.6 times the initial rent. Seven years obviously provides a handsome return on investment.

The Democratic Party of Lane County strongly urges the Committee to move SB 722 forward without the proposed amendments.