



Chair Pham, Vice-Chair Anderson and Members of the Senate Committee on Housing and Development:

Thank you for the opportunity to testify in opposition to SB 722.

My name is Jeremy Rogers and I am the General Counsel and Government Affairs Director for Oregon REALTORS®. Oregon REALTORS® has approximately 18,000 members who are real estate brokers, principal brokers, and property managers. Our members in turn represent hundreds of thousands of Oregonians in their real property transactions.

Oregon REALTORS® encourages you to reject SB 722. We appreciate the removal of the changes to the rent control exemption for new construction in the -1 amendment, as the 15-year exemption is critical to mitigate the negative impacts of rent control on the construction of new housing units.

However, even with the changes in the -1 amendment, the bill is still fundamentally flawed, and we strongly urge you to oppose the bill. The bill exposes housing providers, including the small landlords who many of our members work with, to lawsuits and significant penalties for doing things that are ill-defined in the bill.

Making informed decisions based on data is something that business owners across all industries do every day. This bill takes that practice and tries to draw lines that are unclear and unworkable. The hallmark of a good law is that those who are regulated by it, understand how to comply with it. SB 722 fails that test.

There are dozens of software applications that provide rental estimates or recommendations. How is a housing provider supposed to know precisely how each of these companies develops its rental estimates or recommendations? Even companies that display rental pricing estimates or recommendations on a publicly-facing website may be using a combination of publicly available and non-publicly available data to generate those estimates or recommendations.

And whether the pricing recommendations themselves are publicly available shouldn't be a determining factor. Some companies use ad-based or affiliate revenue models where the information is displayed to the public and the company makes its money via advertisements or lead generation. Other companies spare their customers from ads or affiliate links and charge a fee or subscription for their service. The legislature should not be in the business of telling business owners which software products they can use based on the revenue model of the software company.

Another vague term in the bill is "based on." What does it mean for a housing provider to establish rents "based on" commercial software? Is a housing provider in violation of the law if they take into



consideration the pricing recommendation or only if they use the pricing recommendation exactly as displayed by the software? And do we really want tenants, landlords, lawyers and circuit court judges to be hashing out a landlords mental decision-making process in courts across Oregon?

This legislation would be a nightmare to implement, and the end-result will be scaring away housing providers big and small from wanting to operate in Oregon for fear of violating a law that even the best-intentioned housing providers won't be able to understand.

Finally, the bill is based on a false premise that software is leading to higher rents. In the January 22, 2025 presentation to this Committee, ECONorthwest highlighted that rents in Oregon's largest rental market—the City of Portland—had increased 8% since 2017 while area median income increased 57% over that same period. This is not to say that rents are affordable—they are not for many people—but it does demonstrate that over that period rents overall did not rise rapidly—whether from software or any other factor. That same presentation from ECONorthwest showed that multifamily permits in the City of Portland were down 58% since January 2023 and that across Oregon we are on pace to produce 14,000 units per year rather than the 29,000 needed to meet the OHNA targets. This is the real risk to housing affordability going forward. We encourage the committee to stay focused on the real need which is working together to break through the barriers to producing more housing, rather than scapegoating software and putting a target on the back of housing providers with lawsuits and penalties based on ambiguous bans of technologies and business practices.

We strongly urge you to reject SB 722. Thank you for the opportunity to testify.