Submitter:	Cyndi Monroe
On Behalf Of:	
Committee:	House Committee On Rules
Measure, Appointment or Topic:	HB3974

As a housing provider committed to fair, transparent, and lawful tenant selection practices, I strongly oppose the proposed bill to cap applicant screening charges at $20. This proposed limit is fundamentally misaligned with the actual cost of legally compliant applicant screening under ORS 90.295. Under existing Oregon law, landlords are already strictly regulated in how screening charges may be assessed. ORS 90.295 mandates that landlords:

-May only charge the actual cost of screening, including third-party fees and reasonable administrative time.
-Must disclose the full screening process and rental criteria in writing to all applicants.
-Are required to provide applicants with receipts and confirmation of any screening performed.
-Must refund the charge if no screening occurs.

These safeguards already ensure fairness and accountability in the screening process, protecting applicants from abuse or overcharging.
However, in practice, most housing providers incur screening costs averaging $75 per applicant, which often includes:

-Fees charged by tenant screening companies and credit reporting agencies,
-Criminal background and eviction history reports,
-Verification of employment, income, and rental references,
-Staff time or third-party administrative services.

Capping the screening fee at $20 would force housing providers to absorb more than 70% of these costs—a financially unsustainable burden, particularly for small businesses that operate on thin margins. The unintended consequences of this proposal would likely include:

-Reduced applicant screening quality, as providers are incentivized to use cheaper, less thorough services, putting communities at risk.
-Housing Providers will continue to sell properties in the State of Oregon and move their investments to states that support their partnership with housing providers.
-Increased rents or fees elsewhere to offset the financial losses caused by the cap.

Housing providers must be able to recover the reasonable and actual cost of legally required screening activities, as allowed under ORS 90.295. A flat $20 cap disregards the real costs borne by providers and undermines the screening process

that protects both tenants and landlords.
I urge lawmakers to maintain the current law, which strikes a balance between consumer protection and economic fairness, and to reject this arbitrary and impractical fee cap.