



Date: 6/2/25

From: Kim McCarty, Executive Director, Community Alliance of Tenants

Re: Support HB 3974 rental application fee \$20 cap.

To: House Rules Committee - Chair Bowman, Vice-Chair Drazen, Vice-Chair Pham, Representative Davis, Representative Elmer, Representative Kropf, Representative Valderrama.

Community Alliance of Tenants urges your support of HB 3974. Formed in 1996, the Community Alliance of Tenants (CAT) is Oregon's only statewide, grassroots, tenant-controlled, tenant-rights organization. CAT educates, organizes, and develops the leadership of low-income tenants. Through knowledge and empowerment, our goal is to keep households stable and healthy and prevent homelessness. At CAT, we talk to thousands of tenants every year. The cost of application fees has always been a concern, but now, with other housing costs going up, the application fees are becoming a part of causing housing insecurity.

It is not usual for households searching for housing to spend hundreds of dollars on application fees only to be denied or not have their application fee returned even though this is required by law. Imagine a household with two parents and a young adult. When each person is required to pay a \$50 to \$100 screening fee, the cost for one application could easily be \$150 to \$300 for each apartment. Vulnerable renters spend hundreds of dollars on application fees and still face housing uncertainty. According to research from the National Consumer Law Center, Black, Latine applicants are twice as likely to submit 5 or more applications. With so many applications, the household savings for the first month of rent could be exhausted. HB 3974 caps rental application fees at \$20. Wisconsin and New York already have similar application fee caps. We believe that screening costs should be a part of doing business, as they are in many other businesses.

To ensure access to housing for everyone, Oregon needs to control the cost of rental application fees to \$20. CAT was a part of the large and diverse work group run by Representative Gamba that included landlords, owners, and housing advocates. The conversations ranged from Universal Applications to no application fees, as is the policy in Vermont and Massachusetts. We believe that the \$20 application fee cap is a reasonable compromise. This bill also allows a carve-out for universal tenant application systems like Zillow. Oregon tenants need HB 3974 because the increasing cost of application fees has become so great that it is interfering with a household's ability to find and afford rental housing. The Community Alliance of Tenants urges you to cap application fees to \$20 by supporting HB 3974. Thank you for your service.

Sincerely,

Kim

Kim McCarty  
Executive Director, Community Alliance of Tenants