



HOUSE OF REPRESENTATIVES

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June 2nd, 2025

Chair Bowman, Vice Chairs Drazan and Pham, members of the House Committee on Rules,

I'm Mark Gamba, State Representative for HD 41. In front of you is HB 3974, which is essentially the outcome of a workgroup of 35 people that Rep. Helfrich and I started over the interim. It contained many more landlord organizations than tenants. We were examining the issue of rental application screening fees. The goal at the beginning was to stand up a universal application system where a prospective renter could pay once and then reuse that screening for multiple applications. We quickly discovered the fiscal for this would be massive and we were leery of Oregon's record with standing up new IT systems. Since other states already ban application fees, I asked a question of the workgroup: would they rather have a state-run universal application system or ban application fees outright? Unanimously, the workgroup preferred to ban the fees. That's not to say everyone supported the idea, just that it was the better of the two options.

After that, I drafted and ran HB 2967, which started out as an outright ban on rental application fees. It turned into a \$10 cap through the legislative process. We had a successful hearing but were not given a work session. The bill in front of you right now, HB 3974, places a \$20 cap on rental application fees. We still have an amendment coming that will exempt any private-market universal application systems from the cap, and we know there is at least one of those out there already.

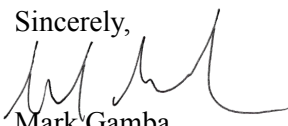
I know from firsthand experience as one of the extremely few renters in this building, that screening fees are costly and rarely returned. They typically cost between \$30 and \$80 per person. That means for one single application, a family will pay between \$60 and \$160, and even more if any children are also required to pay. Most people in this building are not renters and are likely not aware that general practice is for EVERY adult in a household to have to pay for a screening. Especially in years where vacancy rates are low, prospective renters can easily find themselves having to apply to eight or ten places before acceptance.

Currently, the law requires these application fees to be returned to an applicant if a screening is not run but everything I'm seeing says that rarely happens. It is worth pointing out that like many laws written to protect the poor from the rich, the only enforcement mechanism is for the renter to take each landlord to small claims court after the return deadline has expired.

On another note, there is a racial justice component here. We know that families of color statistically have to apply to about twice as many places before they find housing. I have also been told explicitly by landlords that some deliberately set these fees high for the express purpose of reducing the number of poor people who apply.

Chair Bowman, members of the committee, ultimately this bill is about lowering costs for working families. Screening fees are an upfront barrier that is making it harder for people to secure housing and HB 3974 is a way to bring fairness to the process.

Sincerely,



Mark Gamba
State Representative

