

June 3, 2025

House Committee on Rules

House Bill 3974

Dear Chair Bowman, Vice Chairs Drazan and Pham, and Members of the Committee,

My name is Dagny Daniel and I am a renter in NE Portland. I am writing in support of HB 3974, which places a limit on the amount a landlord may charge as a residential application screening fee. Rental application fees pose yet another upfront barrier and further prohibit already cost-burdened renters from applying to needed housing. Charging steep application screening fees “results in a dynamic of risk and uncertainty that transforms the search for rental housing into a high-stakes wager.”¹

It is undeniable that “rental application fees increase the cost and difficulty of obtaining housing. This increased cost and complexity inhibits efforts to promote housing stability and combat homelessness.”² It is likewise undeniable that Oregon is in the midst of a devastating housing crisis. We have the eighth-largest population of unhoused people in the nation and more than half of all renters in the state are cost burdened.³ It is untenable and, frankly, immoral to continue to financially bar access to housing. More than this, *not* capping rental application screening fees perpetuates racially discriminatory practices within the housing market. People of color face the worst impacts of unbridled application fees; “As well as paying more security fees, renters of color also needed to submit more applications than white renters. When application fees are already higher for renters of color, the additional applications typically required to secure a rental add up.”⁴

Other states, including Vermont and Massachusetts, have already banned rental application fees to tenants outright, recognizing that these fees contribute further to the inaccessibility of housing.⁵ Aside from this, many other places have successfully implemented caps on screening fees, including our own Eugene. When the legality of the fee cap was challenged, the Court of Appeals and Oregon Supreme Court verified its legitimacy.⁶

¹ “The Case Against Rental Application Fees.” *Georgetown Journal on Poverty Law and Policy*. Vol. XXX, 2022. Page 23.

<https://www.law.georgetown.edu/poverty-journal/wp-content/uploads/sites/25/2023/01/The-Case-Against-Rental-Application-Fees.pdf>.

² “The Case Against Rental Application Fees.” Page 30.

³ Oregon Housing and Community Services, Brandon Schrader, Megan Bolton, Elise Cordle Kennedy, Andrea Bell, and Megan Bolton. *2024 State of the State’s Housing. 2024 State of the State’s Housing*, 2024. <https://www.oregon.gov/ohcs/about-us/Documents/state-of-the-states-housing.pdf>.

⁴ Hart, Madison. “It’s Fair Housing Month — Are Landlords Overcharging Renters Of Color?” *Firsttuesday Journal*, April 22, 2022.

<https://journal.firsttuesday.us/its-fair-housing-month-are-landlords-overcharging-renters-of-color/82979/#:~:text=Renters%20of%20color%20historically%20have,white%20renters%2C%20according%20to%20Zillow>.

⁵ Team, L. (2024, April 10). *Rental application fees by state*. LawDistrict. <https://www.lawdistrict.com/articles/rental-application-fees-by-states>

⁶ “Renter Protections Process | Eugene, OR Website,” n.d. <https://www.eugene-or.gov/4885/Renter-Protections-Process#:~:text=5.,screening%20fee%20to%20potential%20tenants>.

I have personally felt the impacts of steep application fees. I have been a renter my entire adult life and have moved frequently, often applying to numerous (8 or more) properties in my hunt. I am also someone who has always lived paycheck-to-paycheck. The high costs of application screening fees stacks up quickly and makes the already stressful process of moving even more burdensome and exhausting. These fees result in me scraping together money that I otherwise need to pay my bills on time and spending hundreds of dollars that I can't afford to lose. I have likewise been victim to predatory landlords who collect application fees on top of "administrative" and other arbitrary fees to pad their pockets while neglecting to ensure basic standards of living.

I urge the Committee to vote in favor of House Bill 3974, a vote which demonstrates solidarity with Oregon renters and shows a commitment to pulling Oregonians out of this housing crisis. A vote in favor of this Bill will prove to us, the Oregon people, that there is hope for us yet.

Sincerely,

Dagny Daniel