

Good morning Vice Chairs Gamba and Helfrich, and members of the committee.

Thank you for hearing testimony today. For the record my name is Farrah Chaichi, the Representative from House District 35, which includes Beaverton and Aloha, a district dense with renters.

House Bill 3503 is a straightforward bill that accomplishes one very simple and yet very impactful reform, removing the statewide prohibition on local governments implementing their own kind of rent control. This bill is the result of years of effort, the experiences of many Oregonians, and a robust dialogue about what our state needs in order to be an affordable and welcoming place to live. I have spoken with stakeholders about this bill, its previous incarnations, and other bills like it. Most importantly, this bill is the result of many, many constituents impressing upon me the urgent need for rent control.

Before I get into the necessity and benefits, it might be useful to define what rent control is, and how it is distinguished from other reforms. The simple answer is that what Oregon as a state has in place right now is often referred to as "**rent stabilization**," which limits how much a landlord can increase rent over a period of time, during a tenancy. As the name implies, it helps stabilize rents for tenants, and prevents large and sudden increases in rent costs. However, what rent stabilization doesn't affect is how much a landlord can increase the rent when a unit is vacant, and it doesn't affect how much a landlord can charge overall. Controlling how fast the rent can be increased is good, but doesn't prevent rent from becoming unaffordable.

Rent control allows governments to decide what limits, if any, should exist on how much a landlord can charge for rent, for a unit of a given size and level of accommodations. This is similar to how governments control the prices of other essential needs like water, gas, and electricity. I think we all understand that every human being needs a place to live, just like we need water to drink. But our laws currently treat water like a public utility, and housing like a private luxury and an investment opportunity.

The need for rent control in Oregon is as great as it has ever been. In the Portland Metro area, the Fair Market Housing Rate set by HUD for a two bedroom unit rose 27% since 2019. Wheeler County, Oregon's least populous county, saw a 30% increase in rent in that same period. This trend is similar across other Oregon metro areas and rural counties, but wages have not risen along with rent increases. The data from the Bureau of Labor Statistics for the same time period shows that median hourly wages only increased by 20%.

According to the Census Bureau, there are more than 1.5 million people living in rental housing in Oregon today. We rank 10th among all states (and D.C.) for the most renters per capita. According to the American Communities Survey, Oregon ranks 13th for the median rent cost. So when compared to other states we rank very high in both the number of renters we have and the amount that renters have to pay.

It should be no surprise then that also we rank 10th for the amount of renters that are housing **cost burdened**, per capita, with about **half** of all Oregon renters paying more than 30% of their income just to housing. In absolute terms, that means there are more than 750,000 Oregonians who are right now, according to our government's own metrics, burdened by the cost of rent. About a quarter of all renters in Oregon are severely housing cost burdened, paying more than half their incomes just for a place to live. Again, in absolute terms, that is more than 375,000 Oregonians who are severely burdened by the cost of rent.

When people can't afford housing they become homeless. According to HUD, Oregon has the third highest rate of homelessness, with 42 of every 10,000 residents experiencing homelessness. In total numbers, that's 18,000 homeless residents, with 62%, or about 11,000, who are unsheltered and sleeping outdoors. From 2020 to 2022, Oregon had the second highest increase in people experiencing chronic homelessness, not per capita, but in absolute terms. **Oregon has the highest rate of people experiencing chronic homelessness in the country.** This is an inevitable result of housing being unaffordable.

Some final figures to demonstrate the severity of this crisis.

- Since 2009, only three states have seen an increase in the amount of veterans experiencing homelessness. Guess who came in first? Oregon was number one.
- Oregon also has the fifth most unaccompanied minors experiencing homelessness, at more than 1,000 kids.
- One last shocking statistic about Oregon's humanitarian crises of homelessness. There are more than 3,300 families with children (under 18) experiencing homelessness in Oregon, about 2,000 of which are unsheltered and sleeping outdoors, in vehicles, in a tent, or wherever they can.

We need to pass laws that will keep people housed now.

I know some will oppose this bill, especially those representing groups of landlords, property managers and developers. Opponents will try to push culpability onto nebulous market forces, without regard to the human side of the issue. Housing is a human right

and we, as a society, can recognize that right with this bill; declaring that the price of housing, or cost of rent, should reflect that everyone deserves a home!

Many concerned citizens, local officials, and community leaders have made the time to testify today. I have asked many of them to be here today, and I am extremely thankful for their testimony. I hope you consider what they have to say, and the interests they represent. I also urge you to consider the 375,000 working-class Oregon renters who are right now severely burdened by the cost of housing, and would benefit from rent control but have to be at work, or school, or taking care of family, rather than in committee meetings to have their voices heard.

We are a big state with a diversity of housing needs. A one-size-fits-all approach to housing affordability isn't working for Oregonians. Local governments are closer to their communities, more responsive, and are able to act more quickly. Yesterday, the Governor signed into law HB 2001 and HB 5019. Those bills are an investment in our future and will help some Oregonians. They are a step in the right direction, but come with a sizable price tag. HB 3503 costs us nothing. This bill does not create or require rent control. It merely allows local governments to implement it, should they choose to. This is an important piece to make a meaningful dent in the Oregon housing crisis. I urge you to support HB3503 at this critical time, because **renters cannot wait any longer**. Thank you.