

Submitter: Laura Erceg
On Behalf Of:
Committee: Senate Committee On Housing and Development
Measure, Appointment or Topic: SB722

Chair Pham, Vice-Chair Anderson, and Members of the Committee:

I am writing in strong support of SB 722, which will help prevent displacement and extreme rent spikes by extending coverage of our state's rent stabilization statutes, and by prohibiting the use of price-fixing software to inflate rents.

Rent is expensive everywhere, and if AI technology is being used to falsely increase what landlords or rental agencies think they need to charge, we are creating larger issues with housing and homelessness if we are not addressing these concerns head-on. This bill will do that as well as strengthen tenants' rights for week-to-week renters. In our community, I know of a number of individuals who rely on week-to-week rentals. Their lives are already challenging. If a landlord can increase rent without notice, that is only furthering chaos and housing instability into their world and creating larger problems that our community is already struggling to address.

SB 722 is the only policy tool on the table this session that would provide immediate and measurable protection for Oregonians suffering due to rent spikes as a result of our state's affordable housing crisis.

The bill reduces the current 15 year exemption for new construction from our statewide rent stabilization statute down to 7 years. This change would provide reasonable rent stabilization protection for an additional 40,000 housing units and between 80,000 to 100,000 Oregonians. This proposed change strikes a balance between continuing to encourage new units to come into the market and ensuring that those units do not contribute to long-term gentrification and price inflation.

The bill also amends the Landlord-Tenant Act to prohibit the use of price-fixing AI software to artificially inflate rents. These kinds of products are the subject of national attention and concern, and Oregon has joined a federal lawsuit against this practice. Many local jurisdictions are taking steps to curtail this practice. Price fixing has no place in Oregon, and we cannot afford to allow this practice to exacerbate our housing crisis.

For all of these reasons, I urge your strong support of this bill. Thank you for the opportunity to submit testimony and for your service to Oregon communities.
Sincerely,

Laura Erceg