



DATE: June 21, 2023
TO: House Committee on Rules
FROM: Sammi Teo, Public Policy Advocate
RE: Support for SB 611B, Rent Stabilization

Chair Fahey, Vice Chairs Breese-Iverson and Kropf, and members of the Committee,

Oregon Food Bank's mission is "to eliminate hunger and its root causes... *because no one should be hungry.*" We pursue this goal in two key ways: we foster community connections to help people access nutritious food today, and we advocate to change policies that drive hunger and poverty.

Food security and stable housing go hand-in-hand.

Lack of stable housing is a primary driver of food insecurity. Oregonians who are renters are six times more likely to experience hunger than Oregonians who are homeowners. In Oregon, more than 50% of renters do not have enough money left over after rent to pay for food, medicine, and other basic necessities. Over the course of many years working in communities that disproportionately face food insecurity, we have heard loud and clear that the lack of affordable housing in Oregon is a primary reason why more than one in eight kids in Oregon lives in a household that struggles to afford food. **Too many Oregonians are forced to choose between feeding their families or losing everything to eviction. It's time to do better.**

Without SB 611B to stop extreme rent increases, we will continue to see people displaced onto the streets more quickly than we can rehouse people.

Oregon's housing crisis is largely attributable to the prohibitively expensive rental market. In Oregon, 2023 rent increases for properties 15 or more years old can be as high as 14.6%. This increase far outpaces wage and Social Security increases. These increases are the functional equivalent of an eviction. **When people have to vacate due to no fault of their own, Oregon's tight and expensive rental market makes it hard to quickly find a new home.**

Senate Bill 611B provides reasonable and necessary rent stabilization for tenants:

- The bill keeps Oregon's current rent stabilization law intact, with the addition of a 10% to protect in cases of extreme inflation.
- The rent stabilization formula will be: 7% plus inflation, with a cap of 10%.
- This 10% cap is in keeping with the intent of SB 608 (2019), when the upper increase contemplated was 10%.

Lawmakers did the right thing passing a rent limit (SB 608) in 2019, but that limit did not account for extreme inflation. Without SB 611B, the 2023 rate increase is an unreasonable 14.6%. **Tens of thousands of renters are at risk of displacement due to these extreme rent increases.**

Studies show that just a **\$100 increase in median rents in a community is tied to a 9% increase in homelessness in that community**. At a time when Oregon is experiencing some of the highest rates of homelessness in the nation, we cannot afford to let rent spikes go unchecked. A reasonable rent limit will help prevent high-rent home loss and prevent our state's homeless crisis from getting worse just as we are all pulling together to treat it as the emergency that it is.

We know these extreme rent increases are not isolated incidents. There are so many that the results are playing out in eviction court and in media headlines. In Oregon, [more than 86% of all court evictions are due to a missed rent payment](#). This is not surprising, as [Oregon renters pay the ninth highest rent in the country](#).

SB 611B is a reasonable bill that will prevent extreme rent increases and displacements, while allowing landlords to take inflation into account. New properties continue to be exempt from law, ensuring there is no impact on new development.

SB 611B is an action that the legislature can take now to have an immediate impact on our state's housing crisis as we also work on the longer term solutions of increasing supply and providing support to rehouse our currently homeless neighbors.

Without SB 611B to stop runaway and extreme rent increases, we will continue to see people displaced onto the streets more quickly than we can rehouse people. Without passage of SB 611B, Oregon's success in addressing the housing crisis is at grave risk.

Please pass SB 611B as soon as possible. Thank you.