

Submitter: sherri bowl

On Behalf Of:

Committee: House Committee On Rules

Measure, Appointment or Topic: HB3974

I write to express my strong opposition to House Bill 3974. While the bill aims to reduce administrative/cost burdens for applicants, it undermines landlord ability to responsibly vet tenants & poses significant risks to Oregon's rental market, especially for small-scale landlords whose rentals are often their primary livelihood. It also jeopardizes property owners who take on roommates in their own homes. The proposed bill endangers property integrity, tenant safety, & rental affordability.

Acceptance of Tenant-Provided Reports: HB 3974 mandates that landlords accept tenant-provided screening reports, often from 3rd-party companies, without allowing verification of their authenticity. This deprives landlords of the ability to independently confirm income, rental history, and creditworthiness. Currently, landlords rely on reputable consumer reporting agencies to obtain sealed, tamper-proof documents. In contrast, tenant-supplied reports introduce vulnerabilities, such as:

- Ease of Tampering: Tenants could alter or manipulate reports using software to erase evictions or inflate credit scores before submission. Without a mandatory verification process, landlords cannot reliably detect these alterations.

- Outdated or Incomplete Data: Tenant-supplied reports may contain stale information. A 6 month old credit snapshot could fail to disclose recent defaults/judgments, exposing landlords to significant risk. There are a lot of scams out there -Applicants may inadvertently attain screening which lacks safeguards, systems, & up to date data, which is unreliable for an expensive asset.

Increased Risk of Property Damage & Non-Payment: By relying on tenant-supplied data, landlords risk admitting individuals who fail to meet acceptable financial or rental history thresholds. This could lead to higher incidences of missed rent, property damage, & legal disputes—outcomes that drive up costs for landlords & ultimately, tenants.

Degradation of Screening Standards: Preventing landlords from ordering their own reports will degrade the quality of tenant screening. Over time, reliance on potentially inferior applicant-supplied data will weaken the screening process, increasing likelihood of late payments, property damage, & even criminal activity.

Unfair Financial Burdens: HB 3974's cap on screening fees is insufficient to cover the costs of obtaining reliable background checks/credit reports. Small landlords, already operating on tight margins, cannot absorb these losses, especially when paired with the risks associated with doctored reports. Increased costs will lead to:

- Higher rental rates/reduced services for tenants.
- Reduced availability of units, as landlords exit the market or impose stricter eligibility criteria.
- A decline in property quality, as landlords lack funds for maintenance & improvements.

Ripple Effects: The financial & operational strains imposed by HB 3974 will have far-reaching consequences. Landlords invest in comprehensive background checks, credit reports, & administrative processing to maintain safe and well-managed properties. Landlords facing tenant defaults or property damage may pass costs onto existing tenants, raising rents and reducing housing affordability. Small, local landlords, with limited cash reserves, will be disproportionately affected, further shrinking the supply of safe, well-managed rentals. Lower income applicants – precisely the group purported to help – will find fewer units available to them, as owners avoid neighborhoods or tenant profiles deemed “higher risk.”

Conclusion: Preserving landlords’ ability to obtain & verify complete, up-to-date screening information is essential for protecting property owners, ensuring tenant safety, and maintaining a stable housing market. HB 3974’s provisions threaten to undermine these goals, placing both landlords & tenants at risk. For these reasons, I urge you to reject House Bill 3974 to safeguard the integrity & affordability of Oregon’s rental market