



TO: Senate Committee on Housing and Development

FR: Ira Cuello-Martinez, PCUN

RE: Support for SB 611

March 27, 2023

Chair Jama, Vice-Chair Anderson, Members of the Committee,

My name is Ira Cuello-Martinez and I am writing on behalf of PCUN, Oregon's Farmworker Union to express our support for SBI 611, rent stabilization improvement. At PCUN, we work to empower farmworkers and Latinx working families to improve their working conditions through community building, organizing, and policy advocacy.

We strongly urge you to pass SB 611 as a critical homelessness prevention strategy, to protect seniors, families, individuals, and communities across the state from extreme rent increases and displacement.

Farmworkers and Latinx working families often face housing instability due to the increasing rent rates. During the pandemic, the most commonly sought-out resource by our members was financial support to help cover their expenses. Despite being deemed essential workers, many farmworkers cannot afford to pay their rent and they rely on multi-family housing situations.

SB 611 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.

Here is the problem we are facing. Under current law:

- 2023 rent increases for properties 15 or more years old can be as high as 14.6%. That is too high for anyone to afford, outpacing wages and Social Security.
- There are no limits at all on rent increases in buildings 15 years or newer. Reports of extreme increases such as 32%, 47%, and 50% are becoming more common. 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.

SB 611 would:

- Limit rent increases to 3% + inflation with a maximum increase of 8% during a calendar year.

- Narrow the loophole, applying rent stabilization to buildings older than 3 years, which increases the number of people protected while exempting new construction.
- Increase relocation assistance to three months rent to help tenants displaced through no fault of their own avoid homelessness. Landlords with four units or fewer are exempt from this provision.
- Set no limits on rent resets between tenants.

The rent increase reports from across Oregon show the great need for SB 611. 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. The legislature did the right thing in passing the first rent limit in 2019 but as we have all learned now, the limit did not account for runaway inflation.

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. More than 86% of all eviction filings are due to unaffordable rent. This reasonable proposal prevents extreme rent increases and displacements while allowing landlords to take inflation into account and preserving the ability to reset rents to market rates in between tenancies.

Oregon's housing crisis goes beyond lack of supply and the number of people living without homes or shelter. We have a rental emergency as well, with tenants living just one rent increase notice away from displacement and possible homelessness.

We urge you to pass SB 611.

Ira Cuello-Martinez
Policy and Advocacy Director
PCUN