

Submitter: Adriana Grant
On Behalf Of: Eugene Tenant Alliance
Committee: House Committee On Rules
Measure, Appointment or Topic: HB3974

Chair Marsh, Vice-Chair Anderson, Vice-Chair Breese-Iverson, and Members of the Committee,

As a first-generation college graduate who has survived child abuse/domestic violence and multiple periods of being unhoused from my teenage years into adulthood, I know firsthand how difficult it is to find stable housing—especially when the system is set up to exclude people like me. The cost of rental application fees alone has been enough to shut me out of opportunities for safe, long-term housing. I'm speaking not just from personal experience, but out of a deep commitment to advocating for Oregonians whose lives, labor, and resilience hold far more value than this system often recognizes. Reducing systemic barriers like excessive application fees is one change we can make in our efforts to treat people with the dignity they deserve.

In today's highly competitive rental market, tenants are often forced to apply for multiple units just to secure housing. Each application typically comes with a separate fee—frequently multiplied when every adult in the household must pay. These costs quickly add up, creating a serious financial barrier on top of already burdensome move-in expenses like deposits and advance rent. What's especially concerning is how little these fees reflect the actual cost of tenant screening. According to a 2022 report from the Consumer Financial Protection Bureau, landlords often pay just \$1 to \$3 per background check when purchased in bulk. Yet renters are commonly charged \$25 to \$100 per application, resulting in profits of several hundred percent—generated from people in urgent need of housing. These fees are not about cost recovery; they're about exploitation.

This financial burden falls heaviest on historically marginalized communities, who already face numerous systemic barriers to stable housing. People with non-felony criminal records, poor credit, or limited rental histories are frequently screened out by tenant screening companies—often without explanation, clear standards, or an appeals process. These opaque and unregulated systems make it nearly impossible for many families to even get their foot in the door. High application fees compound these injustices, locking families out of housing and contributing to worse outcomes for children, education, health, and community stability.

These exclusionary practices function as a form of modern-day redlining—discriminatory in effect if not in name. By denying housing access based on flawed or opaque criteria and financial barriers, we are actively perpetuating cycles of poverty

and displacement. This is not just a policy failure; it's a direct contributor to Oregon's growing homelessness crisis and a betrayal of our values of equity and inclusion. Meanwhile, corporate investors are purchasing housing at record rates, shrinking the available rental stock and driving up prices. Both corporate and private landlords have the knowledge and resources to screen tenants effectively without resorting to exploitative practices. Yet without regulation, application fees continue to inflate unnecessarily, worsening the imbalance and placing even greater strain on those already pushed to the margins.

HB 3974 would cap rental application fees at \$20—more than enough to cover the real cost of screening. By reducing financial barriers and bringing transparency to this process, we take a concrete step toward addressing Oregon's housing crisis in a way that is equitable and inclusive of all residents. This bill reflects our state's commitment to fair access, accountability, and dignity for renters.

I urge your support of HB 3974 to help create a housing system that works for everyone—not just those who can afford to navigate its barriers.

Thank you.