



Eugene Intergovernmental Relations

February 17, 2025

Chair Marsh
House Committee on Housing and Homelessness
900 Court St. NE
Salem, OR 97301

RE: City of Eugene Supports HB 2967 and -2 amendment

Chair Marsh, Vice Chairs Andersen and Breese-Iverson, and Members of the Committee:

The City of Eugene respectfully asks for your support on HB 2967 and the -2 amendment, which would amend the Oregon Residential Landlord Tenant Act to prohibit residential landlords from collecting an applicant screening charge. At their January 29, 2025 Work Session, the Eugene City Council approved a 'support' position for HB 2967.

As a background, on July 11, 2022, the Eugene City Council approved a \$10 cap on applicant screening charges as part of Ordinance No. 20670. Following adoption of Ordinance No. 20670, a lawsuit was filed in Lane County Circuit Court challenging the applicant screening charge cap. On January 31, 2023, the Circuit Court issued a decision holding that the City was preempted by State law from imposing or enforcing a \$10 cap on applicant screening charges. The City appealed the Circuit Court's decision to the Court of Appeals and the Court of Appeals reversed the Circuit Court's decision, holding that state law does not preempt the City's Home Rule authority to impose a \$10 cap on applicant screening charges. The plaintiffs appealed the Court of Appeals' decision to the Oregon Supreme Court. At the time of City Council's decision to support HB 2967, the Supreme Court had not yet decided whether it will hear the plaintiffs' appeal. If the Supreme Court decides not to hear the appeal, the Court of Appeals' decision will stand. The Supreme Court is not required to make a decision within any particular time frame. The City has not enforced the \$10 screening charge cap during the appeal.

Additionally on this matter, during the 2023 Legislative Session, this body held a public hearing on HB 3237, which would clarify in statute (what Court of Appeals affirmed above) that cities have the ability to adopt maximum applicant screening charges for rental housing applications. At the time, Eugene Mayor Lucy Vinis testified in support of HB 3237, providing the legislative history of Eugene's Ordinance 20670. HB 3237 did not make it out of committee, instead there was agreement to hold an interim work group among interested parties to develop a negotiated path forward. Representative Gamba led these efforts and a number of stakeholders, including the City of Eugene, participated. This work group was unable to come to agreement on a statewide rental housing application and fee structure, therefore Representative Gamba moved forward with the approach included within HB 2967.

Thank you for the opportunity to comment and seek your support in passing HB 2967 with the -2 amendments.

Respectfully,

submitted electronically

Ethan Nelson, Intergovernmental Relations Manager