

## Mandatory Section 8

By  
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# Oregon Rental Housing Association opposes HB 3027 Mandatory Section 8

Section 8 is a successful and cost-effective program for helping low-income households obtain housing. Though funded by the Department of Housing and Urban Development, the program is run by local housing authorities that are responsive to local needs and interests.

Oregon Rental Housing Association (ORHA) supports the Section 8 program. Indeed, ORHA includes a workshop in its "PRO" certification program that advocates for and explains how to work with Section 8.

Most ORHA members accept and welcome Section 8 applicants. Nonetheless, ORHA opposes mandating acceptance of Section 8, which HB 3027 would do, for the following reasons:

- Passage of this bill won't increase affordable housing for low-income Oregonians. Section 8 vouchers are all used; none go to waste. For a variety of reasons (including past evictions, poor rental references, and criminal records), some individual voucher holders are not be able to find housing with a voucher, but all vouchers are used. For instance, HACSA, Lane County's housing authority, is still working off a waiting list closed in 2005.
- Section 8 costs landlords money. Housing authorities can limit rent increases and security deposits. The unit has to be vacant before the housing authority will inspect, resulting in vacancy cost. Failing an inspection, usually for minor or insignificant items, causes delays in approval, resulting in more lost rental income. If the unit isn't approved, the landlord may have turned away other qualified applicants. If a tenant causes trouble or damage, the housing authority provides no financial support or help with an eviction.

- Mandatory Section 8 would be particularly burdensome on small landlords. Oregon's housing authorities work hard to make the program workable for landlords, but they have to comply with HUD regulations, so a landlord is faced with understanding a 2-page voucher and completing a 2-page Request for Tenancy Approval, and more, while waiting for the housing authority to complete an 8-page inspection report. Delays while landlords provide missing information or redo forms costs them more time and money.

- Section 8 is a program, not just a subsidy. Landlords are required to enter into a non-negotiable 11-page contract with a housing authority. Landlords often cannot use a month-to-month rental agreement. The property must pass an inspection, with requirements that exceed state law. Landlords cannot use a no-cause termination notice. The housing authority has legal access to all landlord records regarding the tenant and property.

Section 8 is a successful, cost-effective program. HUD recognized a decade ago that forcing landlords to participate was counter-productive and changed its rules to allow landlords to opt out. So have other states.

HB 3027 is well-intentioned, but will not accomplish its sponsors' goals. HB 3027 will not increase affordable housing. We urge you to write your state representative asking for a **NO vote on HB 3027**. You can find your state representative at <http://www.leg.state.or.us/findlegsltr/>

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