79th OREGON LEGISLATIVE ASSEMBLY--2017 Regular Session

## HOUSE AMENDMENTS TO HOUSE BILL 2004

By COMMITTEE ON HUMAN SERVICES AND HOUSING

March 31

1	On page 1 of the printed bill, line 2, after "90.427," insert "91.225,".
<b>2</b>	In line 3, delete "repealing ORS 91.225;".
3	Delete lines 5 through 26 and delete pages 2 and 3.
4	On page 4, delete lines 1 through 35 and insert:
5	" <u>SECTION 1.</u> ORS 90.427 is amended to read:
6	"90.427. (1) As used in this section[,]:
7	"(a) 'First year of occupancy' includes all periods in which any of the tenants has resided in the
8	dwelling unit for one year or less.
9	"(b) 'Immediate family' means:
10	"(A) An adult person related by blood, adoption, marriage or domestic partnership, as
11	defined in ORS 106.310, or as defined or described in similar law in another jurisdiction;
12	"(B) An unmarried parent of a joint child;
13	"(C) A child, grandchild, foster child, ward or guardian; or
14	"(D) A child, grandchild, foster child, ward or guardian of any person listed in subpara-
15	graph (A) or (B) of this paragraph.
16	"(2) If a tenancy is a week-to-week tenancy, the landlord or the tenant may terminate the
17	tenancy by a written notice given to the other at least 10 days before the termination date specified
18	in the notice.
19	"[(3) If a tenancy is a month-to-month tenancy:]
20	"(3) Except as provided in subsection (9) of this section, if a tenancy is a month-to-month
21	tenancy:
22	"(a) At any time during the tenancy, the tenant may terminate the tenancy by giving the land-
23	lord notice in writing not less than 30 days prior to the date designated in the notice for the ter-
24	mination of the tenancy.
25	"(b) At any time during the first [year] six months of occupancy, the landlord may terminate
26	the tenancy by giving the tenant notice in writing not less than 30 days prior to the date designated
27	in the notice for the termination of the tenancy.
28	"[(c) At any time after the first year of occupancy, the landlord may terminate the tenancy by giving
29	the tenant notice in writing not less than 60 days prior to the date designated in the notice for the
30	termination of the tenancy.]
31	"[(4) If the tenancy is for a fixed term of at least one year and by its terms becomes a month-to-
32	month tenancy after the fixed term:]
33	"[(a) At any time during the fixed term, notwithstanding subsection (3) of this section, the landlord
34	or the tenant may terminate the tenancy without cause by giving the other notice in writing not less
35	than 30 days prior to the specified ending date for the fixed term or not less than 30 days prior to the

1 date designated in the notice for the termination of the tenancy, whichever is later.]

2 "[(b) After the specified ending date for the fixed term, at any time during the month-to-month 3 tenancy, the landlord may terminate the tenancy without cause only by giving the tenant notice in 4 writing not less than 60 days prior to the date designated in the notice for the termination of the 5 tenancy.]

6 "(c) At any time after the first six months of occupancy, the landlord may terminate the 7 tenancy only:

8 "(A) For cause and with notice as described in ORS 86.782 (6)(c), 90.380 (5), 90.392, 90.394,
9 90.396, 90.398, 90.405, 90.440 or 90.445; or

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"(B) Under an exception and with notice as described in subsection (5) of this section.

11 "(4) Except as provided in subsection (9) of this section, if a tenancy is a fixed term 12 tenancy:

"(a) The landlord may terminate the tenancy only for cause and with notice as described
 in ORS 86.782 (6)(c), 90.380 (5), 90.392, 90.394, 90.396, 90.398, 90.405, 90.440 or 90.445.

15 "(b) At any time during the fixed term, the tenant may terminate the tenancy without 16 cause by giving the landlord notice in writing not less than 30 days prior to the specified 17 ending date for the fixed term or not less than 30 days prior to the date designated in the 18 notice for the termination of the tenancy, whichever is later.

19 "(c) Not less than 90 days prior to the specified ending date for the fixed term, the 20 landlord shall make the tenant an offer in writing to renew the tenancy for a fixed term that 21 is at least equal in duration to the existing fixed term. The tenant may renew the tenancy 22 by giving the landlord notice in writing not less than 30 days prior to the specified ending 23 date for the fixed term. A landlord that qualifies for an exception and gives notice as de 24 scribed in subsection (5) of this section is not required to make the tenant an offer to renew 25 the tenancy under this paragraph.

26 "(d) Unless the tenant accepts an offer to renew or gives notice to terminate the 27 tenancy, the fixed term tenancy becomes a month-to-month tenancy without requiring fur-28 ther notice upon reaching a specific ending date.

29 "(e) If the landlord fails to make the tenant an offer to renew the tenancy as required 30 under paragraph (c) of this subsection, the fixed term tenancy becomes a month-to-month 31 tenancy without requiring further notice upon reaching a specific ending date.

<sup>32</sup> "(5) [Notwithstanding subsections (3)(c) and (4)(b) of this section,] The landlord may terminate a <sup>33</sup> month-to-month tenancy under subsection (3)(c)(B) of this section at any time, or may avoid <sup>34</sup> making the tenant an offer to renew a fixed term tenancy under subsection (4)(c) of this <sup>35</sup> section, by giving the tenant notice in writing not less than [30] 90 days prior to the date desig-<sup>36</sup> nated in the notice for the termination of the month-to-month tenancy or the specified ending <sup>37</sup> date for the fixed term if:

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"[(a) The dwelling unit is purchased separately from any other dwelling unit;]

"[(b) The landlord has accepted an offer to purchase the dwelling unit from a person who intends
in good faith to occupy the dwelling unit as the person's primary residence; and]

41 "[(c) The landlord has provided the notice, and written evidence of the offer to purchase the 42 dwelling unit, to the tenant not more than 120 days after accepting the offer to purchase.]

43 "(a) The landlord intends in good faith to undertake repairs or renovations that will
44 cause the dwelling unit to be unsafe or unfit for occupancy during the repairs or renovations;
45 "(b) The landlord intends in good faith to convert the dwelling unit to a use other than

1 a residential use within a reasonable time;

2 "(c) The landlord intends in good faith to demolish the dwelling unit within a reasonable 3 time;

4 "(d) The dwelling unit is unsafe or unfit for occupancy and the landlord intends in good
5 faith to undertake repairs within a reasonable time to correct the condition of the dwelling
6 unit;

"(e) The landlord has:

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8 "(A) Accepted an offer to purchase the dwelling unit separately from any other dwelling 9 unit from a person who intends in good faith to occupy the dwelling unit as the person's 10 primary residence; and

"(B) Provided the notice, and written evidence of the offer to purchase the dwelling unit,
to the tenant not more than 120 days after accepting the offer to purchase; or

"(f)(A) The landlord intends in good faith for the landlord or a member of the landlord's
 immediate family to occupy the dwelling unit as a primary residence; and

15 "(B) The landlord does not own a comparable unit in the same building that is available 16 for occupancy at the same time that the tenant receives notice to terminate the tenancy.

"(6) If a landlord terminates a tenancy pursuant to subsection (5)(a) or (d) of this section, after the repairs or renovations are complete and the dwelling unit is safe and lawful to occupy, the landlord must offer the tenant the option to enter into a new rental agreement before offering the dwelling unit for rent to any other person.

"(7)(a) A landlord that terminates a tenancy under an exception described in subsection
(5) of this section shall:

23 "(A) State in the notice given to terminate the tenancy the exception under which the 24 tenancy is terminated and facts supporting the exception; and

25 "(B) At the time the landlord gives the tenant the notice to terminate the tenancy, pay 26 the tenant an amount equal to one month's periodic rent.

"(b) The requirements of paragraph (a)(B) of this subsection do not apply to a landlord
of four or fewer dwelling units.

"(8)(a) A notice given to terminate a tenancy under subsection (2), (3)(a) or (b), (4)(b) or
(9) of this section need not state a reason for the termination.

31 "(b) Notwithstanding paragraph (a) of this subsection, a landlord or tenant may include 32 in a notice of termination given under subsection (2), (3)(a) or (b), (4)(b) or (9) of this section 33 an explanation of the reason for the termination without having to prove the reason. An 34 explanation does not give the person receiving the notice of termination a right to cure the 35 reason if the notice states that:

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"(A) The notice is given without stated cause;

37 "(B) The recipient of the notice does not have a right to cure the reason for the termi-38 nation; and

39 "(C) The person giving the notice need not prove the reason for the termination in a 40 court action.

"(9) If the tenancy is for occupancy in a dwelling unit that is located in the same building
or on the same property as the landlord's primary residence, and the building or the property
contains not more than two dwelling units, the landlord may terminate the tenancy:

44 "(a) At any time during the first year of occupancy by giving the tenant notice in writing
 45 not less than 30 days prior to the date designated in the notice for the termination of the

1 tenancy.

2 "(b) At any time after the first year of occupancy by giving the tenant notice in writing 3 not less than 60 days prior to the date designated in the notice for the termination of the 4 tenancy.

5 "(10)(a) If a landlord terminates a tenancy in violation of subsection (3)(c)(B), (4)(c), (5),
6 (6) or (7) of this section:

"(A) The landlord shall be liable to the tenant in an amount equal to three months' rent
in addition to actual damages suffered by the tenant as a result of the tenancy termination;
and

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"(B) The tenant has a defense to an action for possession by the landlord.

"(b) A tenant is entitled to recovery under paragraph (a) of this subsection if the tenant
 commences an action asserting the claim within one year after the tenant knew or should
 have known that the landlord terminated the tenancy in violation of this section.

"[(6)] (11) The tenancy shall terminate on the date designated and without regard to the expiration of the period for which, by the terms of the tenancy, rents are to be paid. Unless otherwise agreed, rent is uniformly apportionable from day to day.

"[(7)] (12) If the tenant remains in possession without the landlord's consent after expiration of the term of the rental agreement or its termination, the landlord may bring an action for possession. In addition, the landlord may recover from the tenant any actual damages resulting from the tenant holding over, including the value of any rent accruing from the expiration or termination of the rental agreement until the landlord knows or should know that the tenant has relinquished possession to the landlord. If the landlord consents to the tenant's continued occupancy, ORS 90.220 (7) applies.

24 "[(8)(a) A notice given to terminate a tenancy under subsection (2) or (3) of this section need not 25 state a reason for the termination.]

26 "[(b) Notwithstanding paragraph (a) of this subsection, a landlord or tenant may include in a no-27 tice of termination given under subsection (2) or (3) of this section an explanation of the reason for the 28 termination without having to prove the reason. An explanation does not give the person receiving the 29 notice of termination a right to cure the reason if the notice states that:]

30 "[(A) The notice is given without stated cause;]

31 "[(B) The recipient of the notice does not have a right to cure the reason for the termination; 32 and]

33 "[(C) The person giving the notice need not prove the reason for the termination in a court 34 action.]

35 "[(9)] (13) Subsections (2) to [(5)] (10) of this section do not apply to a month-to-month tenancy 36 subject to ORS 90.429 or other tenancy created by a rental agreement subject to ORS 90.505 to 37 90.850.

## 38 "SECTION 2. ORS 91.225 is amended to read:

<sup>39</sup> "91.225. [(1) The Legislative Assembly finds that there is a social and economic need to insure an <sup>40</sup> adequate supply of affordable housing for Oregonians. The Legislative Assembly also finds that the <sup>41</sup> imposition of general restrictions on housing rents will disrupt an orderly housing market, increase <sup>42</sup> deferred maintenance of existing housing stock, lead to abandonment of existing rental units and create <sup>43</sup> a property tax shift from rental-owned to owner-occupied housing. Therefore, the Legislative Assembly <sup>44</sup> declares that the imposition of rent control on housing in the State of Oregon is a matter of statewide <sup>45</sup> concern.]

HA to HB 2004

1 "[(2) Except as provided in subsections (3) to (5) of this section, a city or county shall not enact 2 any ordinance or resolution which controls the rent that may be charged for the rental of any dwelling 3 unit.]

"(1) The governing body of a city or a county may adopt an ordinance or resolution that
implements a rent stabilization program for the rental of dwelling units within the jurisdiction of the city or the county, provided that the program:

"(a) Provides landlords with a fair rate of return for the rental of dwelling units, as determined by the city or the county;

9 "(b) Provides a process for a landlord to petition for permission to increase rent in excess 10 of the increase allowed under the program when necessary for the landlord to achieve a fair 11 rate of return, as described in paragraph (a) of this subsection; and

"(c) Provides an exemption from the program for any new residential development for a
 period of five years from the date of issuance of the first certificate of occupancy.

"[(3)] (2) [This section does not impair the right of any] A state agency, city, county or urban renewal agency as defined by ORS 457.035 [to] may reserve to itself the right to approve rent increases, establish base rents or establish limitations on rents on any residential property for which it has entered into a contract under which certain benefits are applied to the property for the expressed purpose of providing reduced rents for low income tenants. Such benefits include, but are not limited to, property tax exemptions, long-term financing, rent subsidies, code enforcement procedures and zoning density bonuses.

"[(4)] (3) Cities and counties [are not prohibited from including] may include in condominium conversion ordinances a requirement that, during the notification period specified in ORS 100.305, the owner or developer may not raise the rents of any affected tenant except by an amount established by ordinance that does not exceed the limit imposed by ORS 90.493.

<sup>25</sup> "[(5)] (4) Cities, counties and state agencies may impose temporary rent controls when a natural <sup>26</sup> or man-made disaster that materially eliminates a significant portion of the rental housing supply <sup>27</sup> occurs, but must remove the controls when the rental housing supply is restored to substantially <sup>28</sup> normal levels.

"[(6)] (5) As used in this section, 'dwelling unit' and 'rent' have the meaning given those terms
 in ORS 90.100.

"[(7)] (6) This section is applicable throughout this state and in all cities and counties therein. The electors or the governing body of a city or county [*shall*] **may** not enact, and the governing body [*shall*] **may** not enforce, any ordinance, resolution or other regulation that is inconsistent with this section.".

35 On page 13, delete lines 42 through 45.

36 On page 14, delete line 1 and insert:

<sup>37</sup> "<u>SECTION 7.</u> The amendments to ORS 90.427 by section 1 of this 2017 Act apply to:

"(1) Fixed term tenancies entered into or renewed on or after the effective date of this
 2017 Act; and

40 "(2) Terminations of month-to-month tenancies occurring on or after the 30th day after
41 the effective date of this 2017 Act.".

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