# House Bill 4213

Sponsored by Representative KOTEK (at the request of Joint Committee on the First Special Session of 2020)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Prohibits residential and commercial evictions under specified conditions during emergency period.

Declares emergency, effective on passage.

#### A BILL FOR AN ACT

2 Relating to evictions; and declaring an emergency.

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**3 Be It Enacted by the People of the State of Oregon:** 

**SECTION 1.** The Legislative Assembly finds and declares that:

5 (1) The provisions of section 3 or 5 of this 2020 special session Act might affect the terms 6 and conditions of certain contracts entered into in this state.

7 (2) The effects of the provisions of section 3 or 5 of this 2020 special session Act are not 8 substantial because the provisions have a limited scope and duration and are necessary to 9 protect the public health, safety and welfare. For these reasons the provisions do not 10 undermine a contractual bargain, interfere with a party's reasonable expectations or prevent 11 a party from safeguarding or reinstating the party's rights.

(3) Even if a provision of section 3 or 5 of this 2020 special session Act has the effect of undermining a contractual bargain, interfering with a party's reasonable expectations or preventing a party from safeguarding or reinstating the party's rights, the provision is appropriate and reasonable to carry out the significant and legitimate public purpose of responding to the declaration of a state of emergency issued by the Governor on March 8, 2020.

17 <u>SECTION 2.</u> Section 3 of this 2020 special session Act is added to and made a part of ORS
 18 chapter 90.

19 SECTION 3. (1) As used in this section:

(a) "Emergency period" means the period beginning on March 22, 2020, and ending on the
date that is 90 days after the date on which Executive Order 20-13 issued by the Governor
on April 1, 2020, and any extension of the order, is no longer in effect.

(b) "Nonpayment" means the nonpayment of a payment that becomes due during the
emergency period to a landlord, including a payment of rent, late charges, utility or service
charges or any other charge or fee as described in the rental agreement or ORS 90.140,
90.302, 90.315, 90.392, 90.394, 90.560 to 90.584 or 90.630.

(c) "Nonpayment balance" means the net total amount of all items of nonpayment by a
 tenant.

(2) Except as provided in subsection (11) of this section, during and after the emergency
 period and notwithstanding this chapter or ORS 105.105 to 105.168, a landlord may not, and
 may not threaten to:

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(a) Deliver a notice of termination of a rental agreement based on a tenant's nonpayment 1 2 balance; (b) Initiate or continue an action under ORS 105.110 to take possession of a dwelling unit 3 based on a notice of termination for nonpayment delivered on or after March 22, 2020; 4 (c) Take any action that would interfere with a tenant's possession or use of a dwelling 5 unit based on a tenant's nonpayment balance; 6 7 (d) Assess a late fee or any other penalty on a tenant's nonpayment balance; or (e) Report a tenant's nonpayment balance as delinquent to any consumer credit reporting 8 9 agency. (3) Notwithstanding ORS 90.220 (9), before applying payments received from a tenant to 10 a tenant's nonpayment balance, a landlord shall first apply the payments, in the following 11 12order, to: 13 (a) Rent for the current rental period; (b) Utility or service charges; 14 (c) Late rent payment charges; and 15 (d) Fees or charges owed by the tenant under ORS 90.302 or other fees or charges related 16 to damage claims or other claims against the tenant. 17 18 (4) During the emergency period, a landlord may provide a written notice to a tenant stating that the tenant continues to owe any rent due. The notice must also include a 19 statement that eviction for nonpayment is not allowed before the date that is 90 days after 20the date on which Executive Order 20-13 issued by the Governor on April 1, 2020, and any 2122extension of the order, is no longer in effect. 23(5) During the emergency period, a landlord may not deliver a termination notice under ORS 90.427 (3)(b) or (c)(B), (4)(b) or (c), (5) or (8)(a)(B) or (b)(B) and may not file an eviction 24 action under ORS 105.110 for a notice given by a landlord under ORS 90.427 (3)(b) or (c)(B), 25(4)(b) or (c), (5) or (8)(a)(B) or (b)(B). 2627(6) Following the emergency period, a tenant with an outstanding nonpayment balance has a 90-day grace period to pay the outstanding nonpayment balance. 28(7) Following the emergency period, a landlord may deliver a written notice to a tenant 2930 that substantially states: 31 (a) The date that the emergency period ended; (b) That if rents and other payments that come due after the emergency period are not 32timely paid, the landlord may terminate the tenancy; 33 34 (c) That the nonpayment balance is still due and must be paid; 35 (d) That the tenant will not owe a late charge for the nonpayment balance; (e) That the tenant is entitled to a 90-day grace period to repay the nonpayment balance; 36 37 (f) That within a specified date stated in the notice given under this subsection that is no earlier than 14 days following the delivery of the notice, the tenant must pay the non-38 payment balance or notify the landlord that the tenant intends to pay the nonpayment bal-39 ance by the end of the 90-day grace period described in subsection (6) of this section; 40 (g) That failure of a tenant to give notice to the landlord of utilization of the grace period 41 described in subsection (6) of this section may result in a penalty described in subsection (10) 42 of this section; and 43 (h) That rents and other charges or fees that come due after the emergency period must 44

(h) That rents and other charges or fees that come due after the emergency period must
 be paid as usual or the landlord may terminate the tenancy under ORS 90.392, 90.394 or

90.630. 1

2 (8)(a) A tenant who has an outstanding nonpayment balance as of the date listed on the landlord's notice as described in subsection (7)(f) of this section must notify the landlord of 3 the tenant's intention to use the grace period described in subsection (6) of this section to 4 pay the nonpayment balance. 5

(b) The tenant's notice under this subsection must be actual notice described in ORS 6 90.150 or notice given by electronic means, and must be given to the landlord by the date 7 given in the landlord's notice as described in subsection (7)(f) of this section. 8

9 (9) The landlord's notice described in subsection (7) of this section may offer an alternate voluntary payment plan for payment of the nonpayment balance, but the notice must state 10 that the alternate payment plan is voluntary. 11

12(10) A tenant's failure to give the notice required by subsection (8) of this section to a 13 landlord entitles the landlord to recover damages equal to 50 percent of one month's rent following the grace period. 14

15 (11) If, within the time period allowed under a notice from a landlord under subsection (7)(f) of this section, a tenant does not provide actual or electronic notice to the landlord 16 that the tenant intends to pay the nonpayment balance by no later than the end of the 90-day 17 grace period described in subsection (6) of this section, subsection (2) of this section does 18 not apply. 19

(12) If a landlord violates this section, a tenant may obtain injunctive relief to recover 20possession or address any other violation of this section and may recover from the landlord 2122an amount up to three month's periodic rent plus any actual damages.

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(13) ORS 90.412 does not apply to a landlord that accepts a partial rent payment.

(14) A landlord may not deliver a termination notice under ORS 90.427 (3) to (8) and may 24 not file an eviction action under ORS 105.110 for a notice given by a landlord under ORS 2590.427 (3) to (8). If the first year of occupancy would end during the emergency period, for 2627the purposes of ORS 90.427, the "first year of occupancy" means a period lasting until 30 days following the emergency period. 28

SECTION 4. Section 3 of this 2020 special session Act is repealed on the date that is 180 2930 days after the date on which Executive Order 20-13 issued by the Governor on April 1, 2020, 31 and any extension of the order, is no longer in effect.

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SECTION 5. (1) As used in this section:

(a) "Emergency period" means the period beginning on March 22, 2020, and ending on the 3334 date that is 90 days after the date on which the declaration of a state of emergency issued by the Governor on March 8, 2020, and any extension of the declaration, is no longer in ef-35 fect. 36

37 (b) "Landlord" means the owner, lessor or sublessor of a rental unit or the building or premises of which the rental unit is a part, or a person who is authorized by the owner, 38 lessor or sublessor to manage the premises or to enter into a rental agreement. 39

(c) "Nonpayment" includes the nonpayment of rent, late charges, utility charges or any 40 other service charge or fee, as described in the rental agreement or ORS 91.090, 91.210 or 41 91.220, during the emergency period. 42

(d) "Nonpayment balance" means the net total amount of all items of nonpayment by a 43 tenant. 44

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(e) "Rental unit" means a structure or part of a structure for use as a commercial space

by a tenant. 1 2 (f) "Tenant" means an individual or organization entitled under a rental agreement to occupy a rental unit to the exclusion of others. 3 (2) Except as provided in subsection (10) of this section, during and after the emergency 4 period and notwithstanding ORS chapter 91 and ORS 105.105 to 105.168, a landlord may not, 5 and may not threaten to: 6 (a) Deliver a notice terminating a rental agreement for a rental unit based on a tenant's 7 nonpayment; 8 9 (b) Initiate or continue an action under ORS 105.110 to take possession of a rental unit based on a termination notice for nonpayment delivered on or after March 22, 2020; or 10 (c) Take any action that would interfere with a tenant's possession or use of a rental unit 11 12based on a tenant's nonpayment. 13 (3) The tenant shall pay all received publicly funded rent assistance to the landlord as payment for rent. 14 (4) Notwithstanding any provision in the rental agreement, a landlord may not impose a 15 late fee or other penalty on a tenant for nonpayment under this section. 16 (5) Following the emergency period, a tenant with an outstanding nonpayment balance 17 has a 90-day grace period to pay the outstanding nonpayment balance. 18 19 (6) Following the emergency period, a landlord may deliver a written notice to a tenant that substantially states: 20(a) The date that the emergency period ended; 2122(b) That if rents and other payments that come due after the emergency period are not timely paid, the landlord may terminate the tenancy; 23(c) That the nonpayment balance is still due and must be paid; 24(d) That the tenant will not owe a late charge for the nonpayment balance; 25(e) That the tenant is entitled to a 90-day grace period to repay the nonpayment balance; 2627(f) That within a specified date stated in the notice given under this subsection that is no earlier than 14 days following the delivery of the notice, the tenant must pay the non-28payment balance or notify the landlord that the tenant intends to pay the nonpayment bal-2930 ance by the end of the 90-day grace period described in subsection (5) of this section; 31 (g) That failure of a tenant to give notice to the landlord of utilization of the grace period described in subsection (5) of this section may result in a penalty described in subsection (10) 32of this section; and 33 34 (h) That rents and other charges or fees that come due after the emergency period must 35 be paid as usual or the landlord may terminate the tenancy. (7)(a) A tenant who has an outstanding nonpayment balance as of the date listed on the 36 37 landlord's notice as described in subsection (6)(f) of this section must notify the landlord of 38 the tenant's intention to use the grace period described in subsection (5) of this section to pay the nonpayment balance. 39 (b) The tenant's notice under this subsection must be given in compliance with ORS 40 91.110 or notice given by electronic means, and must be given to the landlord by the date 41 given in the landlord's notice as described in subsection (6)(f) of this section. 42 (8) The landlord's notice described in subsection (6) of this section may offer an alternate 43 voluntary payment plan for payment of the nonpayment balance, but the notice must state 44 that the alternate payment plan is voluntary. 45

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1 (9) A tenant's failure to give the notice required by subsection (7) of this section to a 2 landlord entitles the landlord to recover damages equal to 50 percent of one month's rent 3 following the grace period.

4 (10) If, within the time period allowed under a notice from a landlord under subsection 5 (6)(f) of this section, a tenant does not provide actual or electronic notice to the landlord 6 that the tenant intends to pay the nonpayment balance by no later than the end of the 90-day 7 grace period described in subsection (5) of this section, subsection (2) of this section does 8 not apply.

9 (11) If a landlord violates this section, a tenant may obtain injunctive relief to recover 10 possession or address any other violation of this section and may recover from the landlord 11 an amount up to three months' periodic rent plus any actual damages.

12 <u>SECTION 6.</u> Section 5 of this 2020 special session Act is repealed on the date that is 270 13 days after the date on which Executive Order 20-13 issued by the Governor on April 1, 2020, 14 and any extension of the order, is no longer in effect.

15 <u>SECTION 7.</u> This 2020 special session Act being necessary for the immediate preservation 16 of the public peace, health and safety, an emergency is declared to exist, and this 2020 special

17 session Act takes effect on its passage.

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