

# House Bill 2545

Sponsored by Representative KRUMMEL

## 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**.

Requires Real Estate Agency to develop handout describing rights and responsibilities of tenant renting residential dwelling unit.

Requires landlord for residential dwelling unit to provide handout to tenant no later than date landlord enters into rental agreement with tenant. Requires landlord to retain record showing provision of handout to tenant. Makes violation subject to civil penalty, not to exceed \$500.

Requires Real Estate Agency to establish dispute resolution program for use by residential landlords and tenants. Establishes effect of dispute resolution orders and proposals.

## A BILL FOR AN ACT

1  
2 Relating to landlord-tenant relations.

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

4 **SECTION 1. Section 2 of this 2007 Act is added to and made a part of ORS chapter 90.**

5 **SECTION 2. (1) The Real Estate Agency shall adopt rules prescribing information that a**  
6 **landlord must provide to a tenant regarding tenant rights and responsibilities under this**  
7 **chapter. The information required by the agency shall include, but need not be limited to,**  
8 **information regarding security deposits, prepaid rent and late charges and a list of resources**  
9 **available to assist tenants in asserting rights or resolving disputes. The agency shall publish**  
10 **a standard form containing the required information and shall make the form available to**  
11 **landlords for a reasonable charge.**

12 **(2) A landlord shall provide the information described in subsection (1) of this section to**  
13 **the tenant no later than the date the landlord enters into the rental agreement with the**  
14 **tenant. The landlord shall require the tenant to initial or sign a document acknowledging**  
15 **receipt of the information and shall retain the document until at least one year after the**  
16 **tenancy terminates.**

17 **(3) The agency may assess a civil penalty against a landlord who fails to comply with**  
18 **subsection (2) of this section. The civil penalty may not exceed \$500 for each violation.**

19 **SECTION 3. (1) The Real Estate Agency shall complete the adoption of rules under sec-**  
20 **tion 2 of this 2007 Act and make forms containing the information required by those rules**  
21 **available for purchase by landlords no later than July 1, 2008.**

22 **(2) Section 2 of this 2007 Act applies to a landlord who enters into a rental agreement**  
23 **with a tenant on or after January 1, 2009.**

24 **SECTION 4. (1) The Real Estate Agency shall establish a dispute resolution program for**  
25 **use by residential property landlords, tenants and applicants for tenancy. The program shall**  
26 **include, but need not be limited to, arranging for informal dispute resolution services and**  
27 **mediation services to resolve claims for money damages under ORS chapter 90. The dispute**  
28 **resolution program described in this section is in addition to any dispute resolution program**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 established by a facility landlord under ORS 90.610 or 446.547.

2 (2) The agency shall contract for persons from outside the agency to act as case man-  
 3 agers. The case managers shall supply investigation, dispute resolution and mediation ser-  
 4 vices to the agency for the purpose of resolving claims described in subsection (1) of this  
 5 section. Upon receiving a claim described in subsection (1) of this section, the agency shall  
 6 assign a case manager to investigate the claim and attempt to assist the parties in resolving  
 7 the claim.

8 (3) Except as provided in this subsection, in addition to resolving claims for money  
 9 damages, the case manager may propose a resolution for any disputes the parties agree to  
 10 submit to the jurisdiction of the agency. The case manager may not resolve:

- 11 (a) A dispute involving possession of the rental property;
- 12 (b) A claim or other dispute under ORS 90.425, 90.450 or 90.675;
- 13 (c) A claim by a purchaser against a seller under ORS 90.710; or
- 14 (d) A claim or other dispute that is the subject of a suit or a petition for injunctive relief.

15 (4) If a claim for money damages described in subsection (1) of this section is filed with  
 16 the agency and a party to the claim refuses to participate in the agency dispute resolution  
 17 process regarding that claim, notwithstanding ORCP 54 E and except as provided in ORS  
 18 90.370, in any subsequent court action on that claim the court shall award a prevailing party  
 19 that agreed to participate in the agency dispute resolution process reasonable attorney fees  
 20 and other costs and disbursements on the claim.

21 (5) If the parties reach agreement on the resolution of a claim for money damages, the  
 22 agency may issue an order reflecting the agreement. The order issued by the agency is en-  
 23 forceable by the parties as a legal contract. In any action brought to enforce the contract,  
 24 the court shall award the prevailing party reasonable attorney fees and costs and disburse-  
 25 ments.

26 (6) If the parties do not reach agreement on the resolution of a claim for money damages,  
 27 the case manager shall serve a final proposal for resolution of the claim on both parties. If  
 28 all parties reject the final proposal, the final proposal may not be given in evidence in a  
 29 subsequent trial on the claim. If the final proposal is accepted by a party and rejected by  
 30 another party, in any subsequent court action on the claim the court may consider the final  
 31 proposal served by the case manager for the purpose of determining whether the party that  
 32 rejected the final proposal has achieved a more favorable outcome on the claim in the court  
 33 proceeding.

34 (7) Except as provided in subsection (8) of this section, if the court finds that a party that  
 35 rejected the final proposal served by the case manager has not achieved a more favorable  
 36 outcome on the claim against a party that accepted the final proposal, the court:

- 37 (a) Notwithstanding ORS 90.255 and 90.510, may not award a party that rejected the final  
 38 proposal attorney fees, costs and disbursements or a prevailing party fee on the claim; and
- 39 (b) Except as provided in ORS 90.370, shall award a party that accepted the final proposal  
 40 reasonable attorney fees and other costs and disbursements on the claim.

41 (8) Subsection (7) of this section does not apply if the party against whom the court  
 42 action is brought makes an offer to allow judgment under ORCP 54 E.