77th OREGON LEGISLATIVE ASSEMBLY – 2013 Regular Session MEASURE: SB 91 A CARRIER: Sen. Prozanski

Senate Committee on General Gov't, Consumer & Small Business Protection

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass as Amended and Be Printed Engrossed

Vote: 4 - 0 - 1

Yeas: Baertschiger, Monnes Anderson, Prozanski, Shields

Nays: 0 Exc.: George

Prepared By: Channa Newell, Administrator

Meeting Dates: 3/27, 4/12

WHAT THE MEASURE DOES: Allows landlord to require new and continuing tenants obtain and maintain renter's insurance if specified in written rental agreement. Prohibits landlord from requiring renters' insurance if tenant income is equal to or less than area median income. Prohibits landlord from considering, in application, action for eviction if dismissed or found in favor of applicant, or five years or more have passed since eviction. Specifies landlord may consider undismissed charges and convictions in applicant's history for drug related crimes, person crimes, sex offenses, crimes involving financial fraud, or any other crime if the charged conduct would negatively affect property or health, safety, and right to peaceful enjoyment of premises. Prohibits landlord from considering arrests on applicant's record if arrest did not lead to conviction. Restructures fees and remedies for landlord when tenant is noncompliant with written rules or policies. Allows tenant, upon notice of foreclosure of rental property, to terminate tenancy 60 days after receiving notice, unless renter receives notice that property is no longer in foreclosure within 30 days of notice of termination of tenancy. Specifies technical changes.

ISSUES DISCUSSED:

- History of Landlord Tenant Coalition
- Approval of amendments by most coalition members
- Concerns with restrictions on consideration of criminal record
- Process and exemption for renters' insurance
- Changes to fee structure
- Housekeeping changes

EFFECT OF COMMITTEE AMENDMENT: Replaces original measure.

BACKGROUND: Senate Bill 91-A is the result of the work and compromise of the General Landlord Tenant Coalition. The Coalition has existed since the 1980s and has a long history of negotiating changes to Oregon's Residential Landlord and Tenant Act. Proponents assert that the measure reflects careful compromise on issues important to both landlords and tenants.

Senate Bill 91-A makes several significant changes to the Oregon Residential Landlord and Tenant Act. Landlords may require renters to carry renters' insurance, with exemptions for low-income households. Landlords may consider broad categories of convictions in a renter's background, but may not consider an applicant's arrests or eviction proceedings, if the eviction was settled in favor of the renter or is more than five years old. Senate Bill 91-A allows a renter to end tenancy after notice of foreclosure on the rental property, unless the landlord notifies the tenant that the property is no longer in foreclosure within a specified time. The measure also includes two new fees a landlord may charge a tenant for noncompliance with written policies: smoking in a unit and keeping unauthorized pets. Additionally, the measure provides for a graduated approach to fees, allowing a landlord to escalate the fees for noncompliance, so long as the fee is stated in the rental agreement or rules, written notice is given, and the fee is assessed within 30 days of the violation. Senate Bill 91-A also makes several technical and clarifying changes to the Act.