HB 2639-7 (LC 2011) 4/10/13 (BLS/ps)

PROPOSED AMENDMENTS TO HOUSE BILL 2639

On <u>page 1</u> of the printed bill, lines 22 and 23, delete the boldfaced material and insert ". This paragraph does not prevent a person from refusing to lease or rent real property to a prospective renter or prospective lessee:

"(A) Based upon the past conduct of a prospective renter or prospective
lessee provided the refusal to lease or rent based on past conduct is consistent with local, state and federal law, including but not limited to fair
housing laws; or

8 "(B) Based upon the prospective renter's or prospective lessee's inability 9 to pay rent, taking into account the value of the prospective renter's or 10 prospective lessee's local, state and federal housing assistance, provided the 11 refusal to lease or rent based on inability to pay rent is consistent with lo-12 cal, state and federal law, including but not limited to fair housing laws.".

13 On page 2, delete lines 1 through 6.

14 On page 3, line 38, delete "as defined in ORS 456.005".

15 Delete page 4.

16 On page 5, delete lines 1 through 33 and insert:

17 "<u>SECTION 3.</u> (1) The Housing and Community Services Department 18 shall develop and implement the Housing Choice Landlord Guarantee 19 Program for the purpose of providing financial assistance to landlords 20 to mitigate damages caused by tenants as a result of occupancy under 21 the Housing Choice Voucher Program.

22 "(2) Landlords that are eligible for assistance under the Housing

1 Choice Landlord Guarantee Program must obtain a judgment against 2 the tenant in either the small claims department of a circuit court or 3 a circuit court for the county in which the property is located. As-4 sistance is limited to reimbursement for only those amounts in the 5 judgment that are related to property damage, unpaid rent or other 6 damages:

7 "(a) Caused as a result of the tenant's occupancy under the Housing
8 Choice Voucher Program;

9 "(b) That exceed normal wear and tear; and

"(c) That are in excess of \$500 but not more than \$5,000 per tenancy.
 "(3) A landlord must submit a claim for assistance to the depart ment within one year of obtaining a judgment against a tenant pur suant to subsection (2) of this section.

14 "(4) The department may contract with a public or private provider 15 for the administration of the Housing Choice Landlord Guarantee 16 Program. The department is not subject to the provisions of ORS 17 chapter 279A or 279B in awarding a contract under the provisions of 18 this subsection. The department shall establish by rule procedures for 19 inviting proposals and awarding contracts under this subsection.

"(5) The department shall adopt rules to implement the provisions of this section, including but not limited to prescribing additional qualifications and requirements that must be met by landlords and the form of application that must be submitted to the department to receive assistance under the program.

²⁵ "<u>SECTION 4.</u> (1) When a landlord is determined to be eligible to ²⁶ receive assistance under sections 2 to 6 of this 2013 Act, the Housing ²⁷ and Community Services Department shall enter into a reasonable ²⁸ repayment agreement with the responsible tenant that provides for ²⁹ repayment by the tenant to the department of the full or a partial ³⁰ amount of the assistance paid to the landlord.

"(2)(a) Consistent with the requirements of federal law, all local 1 housing authorities that participate in the Housing Choice Voucher $\mathbf{2}$ Program shall, upon written notice from the department that a tenant 3 has failed to repay the amount required under subsection (1) of this 4 section, be prohibited from approving a dwelling unit for the respon- $\mathbf{5}$ sible tenant, and may not enter into a contract with a landlord that 6 provides for occupancy of the landlord's dwelling unit by that tenant 7 at any future time, regardless of the area of operation of the local 8 housing authority wherein the dwelling unit that sustained the dam-9 ages was located. 10

"(b) Notwithstanding paragraph (a) of this subsection, this sub section does not apply when the tenant has made or is making a good
 faith effort to comply with the repayment agreement.

"(3) The department shall, in accordance with ORS chapter 183, provide an opportunity for the tenant to contest the department's determination that the tenant has failed to repay amounts due under a repayment agreement or that the tenant has not made or is not making a good faith effort to comply with the repayment agreement. The department shall serve a notice of noncompliance upon the tenant in accordance with ORS 183.415 that states:

"(a) The amount remaining unpaid by the tenant under the repay ment agreement; and

"(b) That the department may prohibit all local housing authorities, regardless of the area of operation of the local housing authority wherein the dwelling unit that sustained the damages was located, from approving a dwelling unit for the tenant in the future and from entering into a contract with a landlord that provides for the tenant's occupancy of the landlord's dwelling unit by that tenant at any future time.

30 "(4) The department shall waive the requirements of this section for

1 good cause as set forth in rules adopted by the department.

<u>SECTION 5.</u> (1) There is created within the State Treasury, separate and distinct from the General Fund, the Housing Choice Landlord
Guarantee Program Fund. Interest earned by the Housing Choice
Landlord Guarantee Program Fund shall be credited to the fund.

6 "(2) Moneys in the Housing Choice Landlord Guarantee Program
7 Fund shall consist of:

8 "(a) Amounts donated to the fund;

9 "(b) Amounts appropriated or otherwise transferred to the fund by
10 the Legislative Assembly;

11 "(c) Investment earnings received on moneys in the fund; and

12 "(d) Other amounts deposited in the fund from any source.

"(3) Moneys in the fund are continuously appropriated to the
 Housing and Community Services Department to carry out the pro visions of sections 2 to 6 of this 2013 Act.

16 "(4) The department may use moneys in the fund to pay the ad-17 ministrative costs associated with the fund and with processing appli-18 cations, making payments to landlords and administering repayment 19 agreements under sections 2 to 6 of this 2013 Act.

20 "<u>SECTION 6.</u> (1) Local housing authorities shall report annually to 21 the Housing and Community Services Department regarding informa-22 tion required to be provided to the Secretary of Housing and Urban 23 Development regarding each local housing authority's participation in 24 the Housing Choice Voucher Program.

"(2) Local housing authorities shall annually review internal procedures and processes so as to coordinate the length of the rental and lease terms with market standards for the purpose of achieving the maximum use and benefit in the best interests of tenants and landlords from tenant-based assistance payments under the Housing Choice Voucher Program.

HB 2639-7 4/10/13 Proposed Amendments to HB 2639 "(3) Consistent with federal law, local housing authorities shall fa cilitate participation of landlords in the Housing Choice Voucher Pro gram by:

4 "(a) Ensuring timely inspection of dwelling units and prompt pro5 cessing of tenant applications and tenant-based assistance payments
6 to landlords;

"(b) Establishing leases with terms that match the lease length that
is standard and customary for the dwelling units involved;

9 "(c) Assisting tenants and landlords with service referrals; and

"(d) Establishing a process that allows landlords to provide regular
 input to local housing authorities.

"(4)(a) There is created the Statewide Housing Choice Advisory Committee to be appointed by the Director of the Housing and Community Services Department. The director shall have discretion to determine the number of committee members and the duration of membership. The committee membership must be geographically representative of all regions of this state and shall include an equal number of representatives for each of the following:

19 "(A) Local housing authorities and their representatives;

"(B) Landlords of single and multiple dwelling units and their ad vocates; and

22 "(C) Tenants and their advocates.

23 **"(b) The committee shall:**

"(A) Advise the department with respect to matters of interest and
 concern regarding the Housing Choice Voucher Program;

"(B) Discuss and share best practices for maximizing participation
 by landlords and tenants in the Housing Choice Voucher Program; and
 "(C) Develop strategies and outcome measures for gauging the ef fectiveness of the Housing Choice Voucher Program.

30 "(c) The committee shall prepare and submit a report to the com-

HB 2639-7 4/10/13 Proposed Amendments to HB 2639 mittees of the Legislative Assembly that have authority over the subject area of housing on the date of the convening of each regular
session of the Legislative Assembly regarding participation in and the
effectiveness of the Housing Choice Voucher Program in this state. ".
On page 7, after line 21, insert:

6 "SECTION 12. Sections 2 to 8 and 11 of this 2013 Act are added to 7 and made a part of ORS chapter 456.".

- 8 In line 22, delete "12" and insert "13".
- 9 In line 26, delete "13" and insert "14".
- 10 In line 30, delete "14" and insert "15".

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