

**Seventy-Eighth Oregon Legislative Assembly - 2015 Regular Session**  
**STAFF MEASURE SUMMARY**  
**House Committee On Human Services and Housing**

**MEASURE: HB 2629 A**  
**CARRIER: Rep. Lininger**

**Fiscal:** No Fiscal Impact  
**Revenue:** No Revenue Impact

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**Action Date:** 03/23/15

**Action:** Do Pass As Amended And Be Printed Engrossed.

**Meeting Dates:** 03/11, 03/23

**Vote:**  
Yeas: 6 - Buehler, Evans, Hayden, Keny-Guyer, Parrish, Piluso  
Exc: 3 - Gallegos, Stark, Taylor

**Prepared By:** Robyn Johnson, Committee Administrator

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**WHAT THE MEASURE DOES:**

Directs rental property owners to provide one year notice of loan maturity and changes in rent assistance to tenants, local housing authority and relevant Oregon Housing and Community Services divisions. Prescribes required method of making notification. Specifies notice requirements. Sets penalty for failure to notify. Directs property owners inform tenants entering into rental agreement less than one year before loan maturity. Makes explicit owner's rights to evict tenants consistent with current statute.

**ISSUES DISCUSSED:**

- Rural Development and Farm Service Agency loans
- Federal affordable housing subsidies for seniors and people with disabilities
- Low-income and subsidized housing availability in rural areas

**EFFECT OF COMMITTEE AMENDMENT:**

Requires property owner notify tenant of rent assistance expiration. Directs property owners inform tenants entering into rental agreement less than one year before loan maturity. Makes explicit the owner's rights in cases of eviction. Removes emergency clause.

**BACKGROUND:**

In Oregon there are approximately 200 buildings, built with financing from the United States Department of Agriculture's (USDA) Rural Development or Farm Services Agency loans. These buildings provide approximately 6,300 rental units in rural areas. Housing financed through USDA Rural Development programs have terms and conditions in place through the length of the mortgage that address affordability and stability for tenants. These conditions end when the mortgage is paid off and many units revert to at or near market-rate pricing. The increase in rent makes it necessary for some tenants to find different housing. Under current law landlords are not required to provide notice to tenants of the maturity of their loans and therefore, the possibility of an increase in rent.

House Bill 2629-A requires owners of rental properties who have received Rural Development loans or Farm Service Agency loans to give one year notice of loan maturity, and thus the potential loss of federally-subsidized affordability and stability mechanism, to tenants, local housing authorities and Oregon Housing and Community Services. Landlords are required to send notice by first-class mail. The required notice will allow tenants time to find suitable housing if relocating is necessary.