HB 2004 -6 STAFF MEASURE SUMMARY

House Committee On Human Services and Housing

Prepared By: Cassandra Soucy, LPRO Analyst

Meeting Dates: 3/2, 3/2, 3/30

WHAT THE MEASURE DOES:

Repeals the prohibition on a city or county ordinance regulating rent of a dwelling unit. Requires a landlord to provide cause and notice for termination of month-to-month tenancy. Provides exceptions including property repairs or renovations causing inhabitability, property conversion to other use, demolition, unhabitable dwelling conditions, purchase of the unit for person's primary residence, or occupation of the unit as primary landlord residence. Requires a landlord who terminates tenancy under exception to provide 90-day notice with stated exception and relocation assistance for the tenant. Defines relocation assistance as payment equal to three months' rent plus the security deposit. Prohibits a landlord from terminating a tenancy without notice or relocation assistance. Requires a fixed term tenancy become month-to-month upon end of original fixed term unless the tenant agrees to renew or terminate the tenancy. Allows a tenant of month-to-month tenancy to terminate the tenancy with no cause providing a 30-day notice to landlord. Requires landlord with fixed term tenant to offer renewal equal to duration of existing fixed term 90 days prior to the specified end date. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Rental costs for individuals and families
- Availability and supply of housing in Oregon
- Use of no cause evictions

EFFECT OF AMENDMENT:

-6 Removes definition of relocation assistance.

Allows landlord to terminate month-to-month tenancy any time for no cause during the first six months of occupancy with 30-day written notice. Requires landlord to provide cause and 30-day notice when terminating a month-to-month tenancy after first six months. Requires landlord to provide cause and 30-day written notice prior to the specified end date for a fixed term tenancy. Allows landlord living on property with two units or less to terminate tenancy at any time for no cause providing a 30-day notice during first year or 60-day notice after first year of tenancy to tenant.

Allows tenant of month-to-month to terminate the tenancy with no cause providing a 30-day written notice to landlord. Allows tenant of fixed term tenancy to terminate tenancy with no cause providing written notice 30 days prior to either specified end date of tenancy or designated date in notice.

Requires a fixed term tenancy become month-to-month upon end of original fixed term if landlord does not offer renewal of fixed term tenancy. Provides exceptions for landlord providing cause for termination of month-to-month tenancy or avoidance of fixed term renewal if landlord provides 90-day written notice. Requires landlord of more than four dwelling units terminating tenancy under exception to state reasoning in notice and pay tenant one month's periodic rent.

Requires landlord terminating tenancy under repair exemption to offer previous tenant a new rental agreement prior to new tenants. Requires landlord of more than four dwelling units terminating tenancy under an exception to give notice to tenant about reason and pay equal to one month's periodic rent. Requires landlord terminating tenancy in

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violation of terms to pay equal to three month's rent in addition to damages to tenant. Allows tenant to recover payment for violation and damages within one year after knowing the violation occurred. Applies to new or renewed fixed term tenancies after the effective date. Applies to month-to-month 30 days after the effective date.

Removes repeal of the prohibition on a city or county ordinance regulating rent of a dwelling unit. Amends statute allowing city or county to adopt ordinance or resolution implementing a rent stabilization program within jurisdiction. Specifies provisions of rent stabilization program including providing landlord fair rate of return, process for landlord to petition an increase in rent and exempts new residential developments for five years.

BACKGROUND:

Current Oregon law (ORS 90.427) allows landlords to terminate month-to-month tenancy by giving the tenant notice in writing not less than 30 days prior to the date. Oregon law (ORS 91.225) also prohibits cities and counties from enacting ordinances or resolutions regulating rent charged to the rental of any dwelling unit.

House Bill 2004 requires landlords to provide cause and notice for termination of a month-to-month tenancy. The bill provides exceptions for specific situations including property repairs or renovations causing inhabitability, property conversion to other use, demolition, unhabitable dwelling conditions, purchase of unit for person's primary residence, or occupation of the unit as primary landlord residence. A landlord who terminates a tenancy under the exception is required to provide 90-day notice with stated exception and relocation assistance for the tenant. The bill creates a violation for landlord termination of tenancy without notice or cause to pay tenant three months' rent and damages due to tenancy termination.

House Bill 2004 requires fixed term tenancy become month-to-month upon specified end date. The bill allows tenant of a month-to-month tenancy to terminate tenancy with no cause providing 30-day notice to landlord. A landlord with a fixed term tenant is required to offer renewal equal to duration of existing fixed term 90 days prior to the specified end date.

House Bill 2004 repeals the prohibition on a city and county ordinance or resolution regulating rent of dwelling unit.