Summary of HB 2004A

For more information, contact Sybil Hebb, Oregon Law Center, 503-936-8959

Section One: Establishes a Just Cause eviction standard:

- No-cause termination allowed during first 6 months of occupancy.
- After the first 6 months of occupancy, a landlord may terminate a month-to-month tenancy only forcause, unless there is an exception. For-cause terminations can be in 1 of 2 categories:
 - a) <u>**Tenant-based causes:**</u> All the currently available tenant fault-based causes. (These are 24/48/72 hour notices, 10 day notice, or 30/14 day notice)
 - b) Landlord-based legitimate causes: Landlord intends in good faith to make repairs or renovations (must offer unit to T after repairs or renovations are complete); Landlord intends to convert the dwelling unit to a non-residential use or to demolish the unit; Landlord has accepted an offer to purchase to someone who will live in the unit as a primary residence; Landlord or immediate family member plans to move into the unit as a primary residence.
 - i. <u>Notice:</u> Landlord would give Tenant 90 days' notice, and pay an amount equal to one month's rent towards moving expenses.
 - **ii.** <u>Exception from relocation:</u> Landlords with four or fewer units would be exempt from paying relocation expenses.
- **Exceptions:** The new law would not apply to a landlord who lives on the same property as the tenant with 2 or fewer units.
- **Damages for landlord violation:** Three months' rent penalty plus actual damages, defense to eviction, suit brought within one year of discovery of violation.
- **Fixed term leases:** May only be terminated for-cause, as is current law. Landlord must make an offer to renew the fixed term tenancy for a new term that is at least equal to the existing term, 90 days before the end of the tenancy. If the LL does not make a renewal offer, the tenancy will roll over to month-to-month. Landlord may avoid renewal or roll-over requirement by giving one of the Landlord-based cause notices.

Section Two: Allows Local Governments to Enact Rent Stabilization Ordinances, with sideboards.

- Amends ORS 91.225, to allow a local city or county to adopt an ordinance implementing a rent stabilization program for residential rental units, so long as the program:
 - Provides landlords with a **fair rate of return**, as determined by the local government;
 - Provides a **process for landlords to request an exception** when necessary to allow for a fair rate of return;
 - **Exempts any new residential development for a period of 5 years** from the date of issuance of the first certificate of occupancy.

<u>Sections Three – Six:</u> Internal cross references

Section Seven: Effective Date

- Applies to fixed term leases entered into on or after the effective date;
- Applies to terminations of month-to-month tenancies occurring on or after the 30th day after the effective date;

Section Eight: Emergency Clause

• The bill takes effect on passage.