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Subject: Early tenant termination of fixed-term leases under HB2004A

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Section 1 of HB 2004A amends ORS 90.427 to read, in part:

(4)(b) At any time during the fixed term, the tenant may terminate the tenancy without cause by giving the landlord notice in writing not less than 30 days prior to the specified ending date for the fixed term or not less than 30 days prior to the date designated in the notice for the termination of the tenancy, whichever is later.

However, ORS 90.302 now lets a landlord charge a month and a half's rent to a tenant who uses HB2004's section (4)(b). The present statute says:

- / (2) A landlord may charge a tenant a fee for each occurrence of the following: * * *//
- // (e) The abandonment or relinquishment of a dwelling unit during a fixed term tenancy without cause. The fee may not exceed one and one-half times the monthly rent. A landlord may not assess a fee under this paragraph if the abandonment or relinquishment is pursuant to ORS 90.453 (2), 90.472 or 90.475. If the landlord assesses a fee under this paragraph:
- // (A) The landlord may not recover unpaid rent for any period of the fixed term tenancy beyond the date that the landlord knew or reasonably should have known of the abandonment or relinquishment;
- // (B) The landlord may not recover damages related to the cost of renting the dwelling unit to a new tenant; and
- // (C) ORS 90.410 (3) does not apply to the abandonment or relinquishment.//

Rental agreements ordinarily give landlord the option to charge the fee (and forego the usual damages for breach) or to waive the fee (and assert their entitlement to damages).

The practical effect of ORS 90.302(2)(e) is to vitiate the proposed new ORS 90.427(2)(b).

I suggest simply repealing ORS 90.302(2)(e). Then ORS 90.220(8)(a) makes the proposed law effective. It says, "(8) Except as provided by ORS 90.427 (7), a tenant is responsible for payment of rent until the earlier of: (a) The date that a notice terminating the tenancy expires; ***."

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