HB 2004-6 (LC 2988) 3/28/17 (EMM/ps)

Requested by Representative MEEK

PROPOSED AMENDMENTS TO HOUSE BILL 2004

1 On page 1 of the printed bill, line 2, after "90.427," insert "91.225,".

2 In line 3, delete "repealing ORS 91.225;".

3 Delete lines 5 through 26 and delete pages 2 and 3.

4 On page 4, delete lines 1 through 35 and insert:

5 **"SECTION 1.** ORS 90.427 is amended to read:

6 "90.427. (1) As used in this section[,]:

"(a) 'First year of occupancy' includes all periods in which any of the
tenants has resided in the dwelling unit for one year or less.

9 "(b) 'Immediate family' means:

"(A) An adult person related by blood, adoption, marriage or do mestic partnership, as defined in ORS 106.310, or as defined or de scribed in similar law in another jurisdiction;

13 **"(B) An unmarried parent of a joint child;**

¹⁴ "(C) A child, grandchild, foster child, ward or guardian; or

"(D) A child, grandchild, foster child, ward or guardian of any per son listed in subparagraph (A) or (B) of this paragraph.

"(2) If a tenancy is a week-to-week tenancy, the landlord or the tenant may terminate the tenancy by a written notice given to the other at least 10 days before the termination date specified in the notice.

20 "[(3) If a tenancy is a month-to-month tenancy:]

21 "(3) Except as provided in subsection (9) of this section, if a tenancy

is a month-to-month tenancy:

"(a) At any time during the tenancy, the tenant may terminate the
tenancy by giving the landlord notice in writing not less than 30 days prior
to the date designated in the notice for the termination of the tenancy.

5 "(b) At any time during the first [year] **six months** of occupancy, the 6 landlord may terminate the tenancy by giving the tenant notice in writing 7 not less than 30 days prior to the date designated in the notice for the ter-8 mination of the tenancy.

9 "[(c) At any time after the first year of occupancy, the landlord may ter-10 minate the tenancy by giving the tenant notice in writing not less than 60 days 11 prior to the date designated in the notice for the termination of the tenancy.]

"[(4) If the tenancy is for a fixed term of at least one year and by its terms
 becomes a month-to-month tenancy after the fixed term:]

"[(a) At any time during the fixed term, notwithstanding subsection (3) of this section, the landlord or the tenant may terminate the tenancy without cause by giving the other 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.]

"[(b) After the specified ending date for the fixed term, at any time during the month-to-month tenancy, the landlord may terminate the tenancy without cause only by giving the tenant notice in writing not less than 60 days prior to the date designated in the notice for the termination of the tenancy.]

"(c) At any time after the first six months of occupancy, the land lord may terminate the tenancy only:

26 "(A) For cause and with notice as described in ORS 86.782 (6)(c),
27 90.380 (5), 90.392, 90.394, 90.396, 90.398, 90.405, 90.440 or 90.445; or

"(B) Under an exception and with notice as described in subsection
(5) of this section.

30 "(4) Except as provided in subsection (9) of this section, if a tenancy

1 is a fixed term tenancy:

2 "(a) The landlord may terminate the tenancy only for cause and
3 with notice as described in ORS 86.782 (6)(c), 90.380 (5), 90.392, 90.394,
4 90.396, 90.398, 90.405, 90.440 or 90.445.

5 "(b) At any time during the fixed term, the tenant may terminate 6 the tenancy without cause by giving the landlord notice in writing not 7 less than 30 days prior to the specified ending date for the fixed term 8 or not less than 30 days prior to the date designated in the notice for 9 the termination of the tenancy, whichever is later.

"(c) Not less than 90 days prior to the specified ending date for the 10 fixed term, the landlord shall make the tenant an offer in writing to 11 renew the tenancy for a fixed term that is at least equal in duration 12to the existing fixed term. The tenant may renew the tenancy by giv-13 ing the landlord notice in writing not less than 30 days prior to the 14 specified ending date for the fixed term. A landlord that qualifies for 15an exception and gives notice as described in subsection (5) of this 16 section is not required to make the tenant an offer to renew the 17 tenancy under this paragraph. 18

"(d) Unless the tenant accepts an offer to renew or gives notice to terminate the tenancy, the fixed term tenancy becomes a month-tomonth tenancy without requiring further notice upon reaching a specific ending date.

"(e) If the landlord fails to make the tenant an offer to renew the
tenancy as required under paragraph (c) of this subsection, the fixed
term tenancy becomes a month-to-month tenancy without requiring
further notice upon reaching a specific ending date.

"(5) [Notwithstanding subsections (3)(c) and (4)(b) of this section,] The landlord may terminate a month-to-month tenancy under subsection (3)(c)(B) of this section at any time, or may avoid making the tenant an offer to renew a fixed term tenancy under subsection (4)(c) of this section, by giving the tenant notice in writing not less than [30] 90 days prior to the date designated in the notice for the termination of the month-to-month tenancy or the specified ending date for the fixed term if:

5 "[(a) The dwelling unit is purchased separately from any other dwelling 6 unit;]

"[(b) The landlord has accepted an offer to purchase the dwelling unit from
a person who intends in good faith to occupy the dwelling unit as the person's
primary residence; and]

"[(c) The landlord has provided the notice, and written evidence of the offer to purchase the dwelling unit, to the tenant not more than 120 days after accepting the offer to purchase.]

"(a) The landlord intends in good faith to undertake repairs or
 renovations that will cause the dwelling unit to be unsafe or unfit for
 occupancy during the repairs or renovations;

"(b) The landlord intends in good faith to convert the dwelling unit
 to a use other than a residential use within a reasonable time;

"(c) The landlord intends in good faith to demolish the dwelling unit
within a reasonable time;

"(d) The dwelling unit is unsafe or unfit for occupancy and the
 landlord intends in good faith to undertake repairs within a reasonable
 time to correct the condition of the dwelling unit;

23 "(e) The landlord has:

"(A) Accepted an offer to purchase the dwelling unit separately
from any other dwelling unit from a person who intends in good faith
to occupy the dwelling unit as the person's primary residence; and

"(B) Provided the notice, and written evidence of the offer to purchase the dwelling unit, to the tenant not more than 120 days after
accepting the offer to purchase; or

30 "(f)(A) The landlord intends in good faith for the landlord or a

member of the landlord's immediate family to occupy the dwelling unit
as a primary residence; and

"(B) The landlord does not own a comparable unit in the same
building that is available for occupancy at the same time that the
tenant receives notice to terminate the tenancy.

6 "(6) If a landlord terminates a tenancy pursuant to subsection (5)(a) 7 or (d) of this section, after the repairs or renovations are complete and 8 the dwelling unit is safe and lawful to occupy, the landlord must offer 9 the tenant the option to enter into a new rental agreement before of-10 fering the dwelling unit for rent to any other person.

"(7)(a) A landlord that terminates a tenancy under an exception
 described in subsection (5) of this section shall:

"(A) State in the notice given to terminate the tenancy the excep tion under which the tenancy is terminated and facts supporting the
 exception; and

"(B) At the time the landlord gives the tenant the notice to termi nate the tenancy, pay the tenant an amount equal to one month's
 periodic rent.

"(b) The requirements of paragraph (a)(B) of this subsection do not
 apply to a landlord of four or fewer dwelling units.

"(8)(a) A notice given to terminate a tenancy under subsection (2),
(3)(a) or (b), (4)(b) or (9) of this section need not state a reason for the
termination.

"(b) Notwithstanding paragraph (a) of this subsection, a landlord or tenant may include in a notice of termination given under subsection (2), (3)(a) or (b), (4)(b) or (9) of this section an explanation of the reason for the termination without having to prove the reason. An explanation does not give the person receiving the notice of termination a right to cure the reason if the notice states that:

30 "(A) The notice is given without stated cause;

1 "(B) The recipient of the notice does not have a right to cure the 2 reason for the termination; and

"(C) The person giving the notice need not prove the reason for the
termination in a court action.

5 "(9) If the tenancy is for occupancy in a dwelling unit that is lo-6 cated in the same building or on the same property as the landlord's 7 primary residence, and the building or the property contains not more 8 than two dwelling units, the landlord may terminate the tenancy:

9 "(a) At any time during the first year of occupancy by giving the
10 tenant notice in writing not less than 30 days prior to the date desig11 nated in the notice for the termination of the tenancy.

"(b) At any time after the first year of occupancy by giving the
 tenant notice in writing not less than 60 days prior to the date desig nated in the notice for the termination of the tenancy.

"(10)(a) If a landlord terminates a tenancy in violation of subsection
(3)(c)(B), (4)(c), (5), (6) or (7) of this section:

"(A) The landlord shall be liable to the tenant in an amount equal
to three months' rent in addition to actual damages suffered by the
tenant as a result of the tenancy termination; and

"(B) The tenant has a defense to an action for possession by the
 landlord.

"(b) A tenant is entitled to recovery under paragraph (a) of this subsection if the tenant commences an action asserting the claim within one year after the tenant knew or should have known that the landlord terminated the tenancy in violation of this section.

"[(6)] (11) The tenancy shall terminate on the date designated and without regard to the expiration of the period for which, by the terms of the tenancy, rents are to be paid. Unless otherwise agreed, rent is uniformly apportionable from day to day.

(12) (12) If the tenant remains in possession without the landlord's

consent after expiration of the term of the rental agreement or its termi-1 nation, the landlord may bring an action for possession. In addition, the $\mathbf{2}$ landlord may recover from the tenant any actual damages resulting from the 3 tenant holding over, including the value of any rent accruing from the ex-4 piration or termination of the rental agreement until the landlord knows or $\mathbf{5}$ should know that the tenant has relinquished possession to the landlord. If 6 the landlord consents to the tenant's continued occupancy, ORS 90.220 (7) 7 applies. 8

9 "[(8)(a) A notice given to terminate a tenancy under subsection (2) or (3) 10 of this section need not state a reason for the termination.]

"[(b) Notwithstanding paragraph (a) of this subsection, a landlord or tenant may include in a notice of termination given under subsection (2) or (3) of this section an explanation of the reason for the termination without having to prove the reason. An explanation does not give the person receiving the notice of termination a right to cure the reason if the notice states that:]

16 "[(A) The notice is given without stated cause;]

17 "[(B) The recipient of the notice does not have a right to cure the reason 18 for the termination; and]

19 "[(C) The person giving the notice need not prove the reason for the termi-20 nation in a court action.]

"[(9)] (13) Subsections (2) to [(5)] (10) of this section do not apply to a month-to-month tenancy subject to ORS 90.429 or other tenancy created by a rental agreement subject to ORS 90.505 to 90.850.

²⁴ "SECTION 2. ORS 91.225 is amended to read:

²⁵ "91.225. [(1) The Legislative Assembly finds that there is a social and eco-²⁶ nomic need to insure an adequate supply of affordable housing for Oregonians. ²⁷ The Legislative Assembly also finds that the imposition of general restrictions ²⁸ on housing rents will disrupt an orderly housing market, increase deferred ²⁹ maintenance of existing housing stock, lead to abandonment of existing rental ³⁰ units and create a property tax shift from rental-owned to owner-occupied

HB 2004-6 3/28/17 Proposed Amendments to HB 2004 housing. Therefore, the Legislative Assembly declares that the imposition of
rent control on housing in the State of Oregon is a matter of statewide
concern.]

"[(2) Except as provided in subsections (3) to (5) of this section, a city or
county shall not enact any ordinance or resolution which controls the rent that
may be charged for the rental of any dwelling unit.]

"(1) The governing body of a city or a county may adopt an ordinance or resolution that implements a rent stabilization program for
the rental of dwelling units within the jurisdiction of the city or the
county, provided that the program:

"(a) Provides landlords with a fair rate of return for the rental of
 dwelling units, as determined by the city or the county;

"(b) Provides a process for a landlord to petition for permission to
 increase rent in excess of the increase allowed under the program
 when necessary for the landlord to achieve a fair rate of return, as
 described in paragraph (a) of this subsection; and

"(c) Provides an exemption from the program for any new residential development for a period of five years from the date of issuance
of the first certificate of occupancy.

"[(3)] (2) [This section does not impair the right of any] A state agency, 20city, county or urban renewal agency as defined by ORS 457.035 [to] may 21reserve to itself the right to approve rent increases, establish base rents or 22establish limitations on rents on any residential property for which it has 23entered into a contract under which certain benefits are applied to the 24property for the expressed purpose of providing reduced rents for low income 25tenants. Such benefits include, but are not limited to, property tax ex-26emptions, long-term financing, rent subsidies, code enforcement procedures 27and zoning density bonuses. 28

²⁹ "[(4)] (3) Cities and counties [are not prohibited from including] may in-³⁰ clude in condominium conversion ordinances a requirement that, during the notification period specified in ORS 100.305, the owner or developer may not
raise the rents of any affected tenant except by an amount established by
ordinance that does not exceed the limit imposed by ORS 90.493.

"[(5)] (4) Cities, counties and state agencies may impose temporary rent controls when a natural or man-made disaster that materially eliminates a significant portion of the rental housing supply occurs, but must remove the controls when the rental housing supply is restored to substantially normal levels.

9 "[(6)] (5) As used in this section, 'dwelling unit' and 'rent' have the 10 meaning given those terms in ORS 90.100.

"[(7)] (6) This section is applicable throughout this state and in all cities and counties therein. The electors or the governing body of a city or county [shall] may not enact, and the governing body [shall] may not enforce, any ordinance, resolution or other regulation that is inconsistent with this section.".

16 On page 13, delete lines 42 through 45.

17 On page 14, delete line 1 and insert:

"SECTION 7. The amendments to ORS 90.427 by section 1 of this
 2017 Act apply to:

"(1) Fixed term tenancies entered into or renewed on or after the
 effective date of this 2017 Act; and

"(2) Terminations of month-to-month tenancies occurring on or
 after the 30th day after the effective date of this 2017 Act.".

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