

# D R A F T

## SUMMARY

Amends calculation of maximum amount payable by Housing and Community Services Department to landlords from Rent Guarantee Program Fund from per-landlord basis to per-tenant basis.

### A BILL FOR AN ACT

Relating to residential tenancies; amending ORS 456.608.

**Be It Enacted by the People of the State of Oregon:**

**SECTION 1.** ORS 456.608 is amended to read:

456.608. (1) The Housing and Community Services Department shall develop and implement the Rent Guarantee Program for the purpose of providing incentives and financial assistance to landlords that rent to low income households by guaranteeing payments to landlords for unpaid rent and for eviction and property damage costs as described in this section. Department administration of the program is subject to Oregon Housing Stability Council policy, rules and standards.

(2) A tenant is eligible to participate in the program if the tenant:

(a) Resides in a low income household;

(b) Experiences barriers to obtaining housing, including but not limited to:

(A) Poor credit history or ratings;

(B) A criminal history;

(C) That the tenant has been a ward, as defined in ORS 419A.004, within the past 10 years and is at least 16 years of age and less than 27 years of age; or

(D) A history of housing evictions; and

(c) Successfully completes the tenant training and certification process implemented by the department under subsection (3) of this section.

(3) As part of the program implemented under this section, the department shall provide training to, and a certification process for, tenants from low income households for the purposes of providing tenants with information on how to achieve and maintain a successful tenancy and providing reliable accreditation of tenants to landlords that are considering renting to tenants from low income households.

(4) A landlord may submit a request for financial assistance to the department in accordance with rules adopted by the council. Financial assistance to landlords under the program is limited as follows:

(a) Reimbursement for unpaid rent and payment of eviction and damage costs are limited to circumstances involving rental or lease agreements entered into with tenants determined to be eligible under subsection (2) of this section;

(b) Financial assistance is limited to reimbursement for unpaid rent and eviction and damage costs incurred during the first 12 months of any single rental or lease agreement;

(c) Reimbursement for unpaid rent is limited to a maximum of \$2,000 per eligible tenant;

(d) Financial assistance paid under the program to a landlord is limited to a maximum of \$5,000 per *[landlord]* **eligible tenant**; and

(e) Payment of financial assistance is contingent on the landlord's submission of a complete and accurate reimbursement request, verification of unpaid rent and eviction or damage claims by the department or program provider described in subsection (6) of this section and cooperation with the collection of data to measure program performance outcomes as described in subsection (6) of this section.

(5) Before receipt of payments of financial assistance under the program, a landlord must provide to the department or the program provider described

in subsection (6) of this section a report containing information required by rule adopted by the council. The report must contain, at a minimum, the following:

(a) Information regarding eligible tenants with *[which]* **whom** the landlord entered into tenancy agreements including, but not limited to, the length of tenancy and reason for termination of tenancy, if applicable; and

(b) The amounts of unpaid rent and eviction and damage costs not reimbursed by financial assistance received by the landlord under the program.

(6)(a) The department may contract with a public or private provider to administer the program within an individual county or region of this state and to distribute financial assistance to eligible landlords as provided in this subsection. The department is not subject to the provisions of ORS chapter 279A or 279B in awarding a contract under the provisions of this subsection. The department shall, in consultation with the council, establish criteria for proposals, prepare and publish requests for proposals, receive proposals and award contracts to eligible providers. Eligible providers must, at a minimum:

(A) Have experience providing tenant readiness education sufficient to provide tenant training and certification as described in subsection (3) of this section;

(B) Have experience placing persons in low income households into permanent housing;

(C) Have experience working collaboratively with local landlords and service providers; and

(D) Demonstrate the organizational capacity to administer the program, including the ability to track data and performance measure outcomes and to timely process requests for and payments of financial assistance.

(b) Program providers shall, in accordance with rules adopted by the council:

(A) Provide reports regarding the number of landlords and program eligible tenants participating in the program, demographic information about tenants, identified tenant risk factors and the number and amount of re-

quests for financial assistance made under the program;

(B) Review and verify requests for financial assistance and make payments in accordance with established department processes for distributing funds; and

(C) Collect data to measure the following program performance outcomes:

(i) Increased housing stability, as measured by the percentage of total program participants who reside in and maintain permanent housing for a minimum of 12 months;

(ii) Increased landlord participation, as measured by the percentage increase in the number of landlords participating in the program; and

(iii) Successful tenant readiness education, as measured by the percentage of tenants successfully completing the tenant training and receiving certification as described in subsection (3) of this section.

(7) Nothing in this section prohibits a landlord from participating in the Housing Choice Landlord Guarantee Program under ORS 456.375 to 456.390 or the Housing Choice Voucher Program under 42 U.S.C. 1437f(o).

(8) The department may not pay financial assistance under the Rent Guarantee Program from any source other than available funds in the Rent Guarantee Program Fund established in ORS 456.609. Amounts due and payable under the program shall not constitute a debt of the state or a lending of the credit of the state within the meaning of any constitutional or statutory limitation.

(9) The department shall submit an annual report to the interim legislative committees of the Legislative Assembly related to housing no later than September [15th] **15** of each year regarding the implementation and status of the program, the number of participants in the program, amounts of financial assistance requested and paid and the performance outcomes measured by the program.

(10) The council, in consultation with the department, shall adopt rules to implement the provisions of this section.