HB 4213-3 (LC 90) 6/24/20 (RLM/ps)

Requested by Senator KNOPP

PROPOSED AMENDMENTS TO HOUSE BILL 4213

1 On page 1 of the printed bill, delete lines 4 through 31 and delete pages 2 <u>2 through 5</u>and insert:

³ "SECTION 1. The Legislative Assembly finds and declares that:

"(1) The provisions of section 3 or 5 of this 2020 special session Act
might affect the terms and conditions of certain contracts entered into
in this state.

"(2) The effects of the provisions of section 3 or 5 of this 2020 special 7 session Act are not substantial because the provisions have a limited 8 scope and duration and are necessary to protect the public health, 9 safety and welfare. For these reasons the provisions do not undermine 10 a contractual bargain, interfere with a party's reasonable expectations 11 or prevent a party from safeguarding or reinstating the party's rights. 12 "(3) Even if a provision of section 3 or 5 of this 2020 special session 13 Act has the effect of undermining a contractual bargain, interfering 14 with a party's reasonable expectations or preventing a party from 15 safeguarding or reinstating the party's rights, the provision is appro-16 priate and reasonable to carry out the significant and legitimate public 17 purpose of responding to the declaration of a state of emergency issued 18 by the Governor on March 8, 2020. 19

²⁰ "<u>SECTION 2.</u> Section 3 of this 2020 special session Act is added to ²¹ and made a part of ORS chapter 90. 1 "SECTION 3. (1) As used in this section:

"(a) 'Emergency period' means the period beginning on March 22,
2020, and ending on the date that is 90 days after the date on which
Executive Order 20-13 issued by the Governor on April 1, 2020, and any
extension of the order, is no longer in effect.

6 "(b) 'Nonpayment' means the nonpayment of a payment that be-7 comes due during the emergency period to a landlord, including a 8 payment of rent, late charges, utility or service charges or any other 9 charge or fee as described in the rental agreement or ORS 90.140, 10 90.302, 90.315, 90.392, 90.394, 90.560 to 90.584 or 90.630.

"(c) 'Nonpayment balance' means the net total amount of all items
of nonpayment by a tenant.

"(2) Except as provided in subsection (11) of this section, during and
 after the emergency period and notwithstanding this chapter or ORS
 105.105 to 105.168, a landlord may not, and may not threaten to:

"(a) Deliver a notice of termination of a rental agreement based on
 a tenant's nonpayment balance;

"(b) Initiate or continue an action under ORS 105.110 to take pos session of a dwelling unit based on a notice of termination for non payment delivered on or after March 22, 2020;

"(c) Take any action that would interfere with a tenant's possession
or use of a dwelling unit based on a tenant's nonpayment balance;

"(d) Assess a late fee or any other penalty on a tenant's nonpayment balance; or

"(e) Report a tenant's nonpayment balance as delinquent to any
 consumer credit reporting agency.

"(3) Notwithstanding ORS 90.220 (9), before applying payments received from a tenant to a tenant's nonpayment balance, a landlord
shall first apply the payments, in the following order, to:

30 "(a) Rent for the current rental period;

1 **"(b) Utility or service charges;**

2 "(c) Late rent payment charges; and

"(d) Fees or charges owed by the tenant under ORS 90.302 or other
fees or charges related to damage claims or other claims against the
tenant.

6 "(4) During the emergency period, a landlord may provide a written 7 notice to a tenant stating that the tenant continues to owe any rent 8 due. The notice must also include a statement that eviction for non-9 payment is not allowed before January 1, 2021.

"(5) Following the emergency period, a tenant with an outstanding
 nonpayment balance has a 90-day grace period to pay the outstanding
 nonpayment balance.

"(6) Following the emergency period, a landlord may deliver a
 written notice to a tenant that substantially states:

15 "(a) The date that the emergency period ended;

"(b) That if rents and other payments that come due after the
 emergency period are not timely paid, the landlord may terminate the
 tenancy;

¹⁹ "(c) That the nonpayment balance is still due and must be paid;

"(d) That the tenant will not owe a late charge for the nonpayment
balance;

"(e) That the tenant is entitled to a 90-day grace period to repay the
 nonpayment balance;

"(f) That within a specified date stated in the notice given under this subsection that is no earlier than 14 days following the delivery of the notice, the tenant must pay the nonpayment balance or notify the landlord that the tenant intends to pay the nonpayment balance by the end of the 90-day grace period described in subsection (5) of this section;

30 "(g) That failure of a tenant to give notice to the landlord of utili-

zation of the grace period described in subsection (5) of this section
may result in a penalty described in subsection (10) of this section; and
"(h) That rents and other charges or fees that come due after the
emergency period must be paid as usual or the landlord may terminate
the tenancy under ORS 90.392, 90.394 or 90.630.

6 "(7)(a) A tenant who has an outstanding nonpayment balance as of 7 the date listed on the landlord's notice as described in subsection (6)(f) 8 of this section must notify the landlord of the tenant's intention to 9 use the grace period described in subsection (5) of this section to pay 10 the nonpayment balance.

"(b) The tenant's notice under this subsection must be actual notice described in ORS 90.150 or notice given by electronic means, and must be given to the landlord by the date given in the landlord's notice as described in subsection (6)(f) of this section.

"(8) The landlord's notice described in subsection (6) of this section
 may offer an alternate voluntary payment plan for payment of the
 nonpayment balance, but the notice must state that the alternate
 payment plan is voluntary.

19 "(9) Subsections (2) to (8) of this section do not apply:

"(a) Unless, no later than the latter of 30 days following the effec tive date of this 2020 special session Act or five days following a
 tenant's first nonpayment, the tenant provides to the landlord:

"(A) Actual notice that the tenant is unable to pay the full amount
of rent or charges; and

"(B) Documentation or other objective verification that the tenant
 is experiencing:

27 "(i) An illness related to COVID-19; or

"(ii) A disruption to the tenant's income, including unemployment
 or lost wages, related to COVID-19.

30 "(b) If the tenant does not:

HB 4213-3 6/24/20 Proposed Amendments to HB 4213 1 "(A) Make payments or partial payments to the extent that the 2 tenant is able to do so;

"(B) Timely apply for any eligible public funded rental assistance
and public benefits; or

5 "(C) Pay all rental income assistance received by the tenant to the
6 landlord.

"(10) If a tenant fails to give the notice required by subsection (7)
of this section to a landlord:

9 "(a) The landlord is entitled to recover damages equal to 50 percent
10 of one month's rent; and

11 "(b) Subsection (2) of this section does not apply.

12 "(11) If a landlord violates this section, a tenant may obtain 13 injunctive relief to recover possession or address any other violation 14 of this section and may recover from the landlord an amount up to 15 three month's periodic rent plus any actual damages.

"(12) During the emergency period, a landlord may not deliver a termination notice under ORS 90.427 (3) to (8) and may not file an eviction action under ORS 105.110 for a notice given by the landlord under ORS 90.427 (3) to (8). If the first year of occupancy would end during the emergency period, for the purposes of ORS 90.427, the 'first year of occupancy' means a period lasting until 30 days following the emergency period.

"(13) ORS 90.412 does not apply to a landlord that accepts a partial
 rent payment.

²⁵ "<u>SECTION 4.</u> Section 3 of this 2020 special session Act is repealed ²⁶ on December 31, 2020.

²⁷ "<u>SECTION 5.</u> (1) As used in this section:

"(a) 'Emergency period' means the period beginning on March 22,
2020, and ending on the date that is 90 days after the date on which
the declaration of a state of emergency issued by the Governor on

1 March 8, 2020, and any extension of the declaration, is no longer in 2 effect.

"(b) 'Landlord' means the owner, lessor or sublessor of a rental unit
or the building or premises of which the rental unit is a part, or a
person who is authorized by the owner, lessor or sublessor to manage
the premises or to enter into a rental agreement.

"(c) 'Nonpayment' includes the nonpayment of rent, late charges,
utility charges or any other service charge or fee, as described in the
rental agreement or ORS 91.090, 91.210 or 91.220, during the emergency
period.

"(d) 'Nonpayment balance' means the net total amount of all items
 of nonpayment by a tenant.

"(e) 'Rental unit' means a structure or part of a structure for use
as a commercial space by a tenant.

"(f) 'Tenant' means an individual or organization entitled under a
 rental agreement to occupy a rental unit to the exclusion of others.

"(2) Except as provided in subsection (10) of this section, during and
after the emergency period and notwithstanding ORS chapter 91 and
ORS 105.105 to 105.168, a landlord may not, and may not threaten to:

"(a) Deliver a notice terminating a rental agreement for a rental
unit based on a tenant's nonpayment;

"(b) Initiate or continue an action under ORS 105.110 to take possession of a rental unit based on a termination notice for nonpayment
delivered on or after March 22, 2020; or

"(c) Take any action that would interfere with a tenant's possession
or use of a rental unit based on a tenant's nonpayment.

"(3) Notwithstanding any provision in the rental agreement, a
 landlord may not impose a late fee or other penalty on a tenant for
 nonpayment under this section.

30 "(4) Following the emergency period, a tenant with an outstanding

nonpayment balance has a 90-day grace period to pay the outstanding
nonpayment balance.

"(5) Following the emergency period, a landlord may deliver a
written notice to a tenant that substantially states:

5 "(a) The date that the emergency period ended;

6 "(b) That if rents and other payments that come due after the 7 emergency period are not timely paid, the landlord may terminate the 8 tenancy;

9 "(c) That the nonpayment balance is still due and must be paid;
10 "(d) That the tenant will not owe a late charge for the nonpayment

11 **balance;**

"(e) That the tenant is entitled to a 90-day grace period to repay the
 nonpayment balance;

"(f) That within a specified date stated in the notice given under this subsection that is no earlier than 14 days following the delivery of the notice, the tenant must pay the nonpayment balance or notify the landlord that the tenant intends to pay the nonpayment balance by the end of the 90-day grace period described in subsection (4) of this section;

"(g) That failure of a tenant to give notice to the landlord of utilization of the grace period described in subsection (4) of this section
may result in a penalty described in subsection (9) of this section; and
"(h) That rents and other charges or fees that come due after the
emergency period must be paid as usual or the landlord may terminate
the tenancy.

"(6)(a) A tenant who has an outstanding nonpayment balance as of the date listed on the landlord's notice as described in subsection (5)(f) of this section must notify the landlord of the tenant's intention to use the grace period described in subsection (4) of this section to pay the nonpayment balance.

HB 4213-3 6/24/20 Proposed Amendments to HB 4213 1 "(b) The tenant's notice under this subsection must be given in 2 compliance with ORS 91.110 or notice given by electronic means, and 3 must be given to the landlord by the date given in the landlord's notice 4 as described in subsection (5)(f) of this section.

5 "(7) The landlord's notice described in subsection (5) of this section 6 may offer an alternate voluntary payment plan for payment of the 7 nonpayment balance, but the notice must state that the alternate 8 payment plan is voluntary.

9 "(8) Subsections (2) to (7) of this section do not apply:

"(a) Unless, no later than the latter of 30 days following the effec tive date of this 2020 special session Act or five days following a
 tenant's first nonpayment, the tenant provides to the landlord:

"(A) Actual notice that the tenant is unable to pay the full amount
 of rent or charges; and

"(B) Documentation or other objective verification that the tenant
 is experiencing a loss of income related to COVID-19 or the economic
 consequences of COVID-19 or any public or government response to
 COVID-19.

19 "(b) If the tenant does not:

20 "(A) Make payments or partial payments to the extent that the 21 tenant is able to do so;

"(B) Timely apply for any eligible public funded rental assistance
 and public benefits; or

"(C) Pay all rental income assistance received by the tenant to the
landlord.

"(9) If a tenant fails to give the notice required by subsection (6)
 of this section to a landlord:

"(a) The landlord is entitled to recover damages equal to 50 percent
of one month's rent; and

30 "(b) Subsection (2) of this section does not apply.

1 "(10) If a landlord violates this section, a tenant may obtain 2 injunctive relief to recover possession or address any other violation 3 of this section and may recover from the landlord an amount up to 4 three months' periodic rent plus any actual damages.

5 "SECTION 6. Section 5 of this 2020 special session Act is repealed
6 on December 31, 2020.

"SECTION 7. (1) Notwithstanding ORS 401.168 (1), 401.175 (1), 401.188
(2) and (3) and 433.441 (3), this 2020 special session Act is intended to
repeal and supercede the Governor's Executive Order 20-13 issued on
April 1, 2020, and any authority of the Governor to enact any further
emergency order that alters or suspends ORS 105.105 to 105.168 and is
based on the health or financial consequences of COVID-19.

"(2) This 2020 special session Act preempts any ordinance by a local
 government that alters or suspends any portion of ORS 105.105 to
 105.168 and that is based on the health or financial consequences of
 COVID-19.

17 "<u>SECTION 8.</u> This 2020 special session Act being necessary for the 18 immediate preservation of the public peace, health and safety, an 19 emergency is declared to exist, and this 2020 special session Act takes 20 effect on its passage.".

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