

## Summary of LC 18

12/15/2020 Version

### **Landlord Compensation Program Creation and Funding (Sections 2 and 6)**

To help prevent evictions and stabilize the most impacted landlords, Section 2 of the proposal establishes a landlord-based compensation fund. This is more efficient way to distribute dollars, and is the product of a workgroup that examined programs in Washington and Colorado.

- Landlords may apply for rent assistance through OHCS on behalf of all their tenants who owe rent payments
- Smaller landlords, and landlords with a higher percentage of unpaid rent will be prioritized.
- The agency will process the application, and local public housing authorities will issue the assistance checks directly to landlords.
- The program will pay back rent only. Payments will be for 80% of arrears owed at time of application, and landlords forgive 20% of past due rent.
- The program is voluntary, and landlords may apply more than once.

### ***Changes to the Landlord Compensation Program since prior draft:***

- Funding allocations added: \$150 million (Section 6)
- Corrects a drafting error that implied grants might be “up to 80% of arrears” – new language says “80% of arrears”
- Clarifies that Manufactured Housing Co-Ops can apply for funds
- Requires Department to expedite administration of the program

### **New Provision: Funding Allocation for Current Tenant-Based Assistance Program (Sections 3 and 6)**

Section 3 specifies prompt distribution of funds into the tenant-based assistance program, and Section 6 specifies a \$50 million allocation of funds. *Note: This program is accessed thru tenant applications, but payments go directly to the landlord. So, there are two “portals” for rent assistance going to the landlord.*

### **Eviction Moratorium Extension (Sections 7-17)**

The bill extends a revised version of the eviction moratorium through June 30, 2021, with additional protections and considerations for both landlords and tenants.

- Tenants must document that they have experienced financial hardship impacting their ability to pay rent after March 16, 2020, the date of the Governor’s Stay Home, Save Lives orders due to COVID-19. Documentation is done via a signed declaration.
  - Qualifying tenants must pay all rent back by July 1, 2021, to avoid eviction after that date.
  - For non-qualifying tenants, protections from eviction for non-payment will end after December 31, 2020. (The HB 4213 grace period for arrears prior to October continues until March 31, 2021.)
- If a landlord intends to move forward with a non-payment notice due to non-payment, they must provide their tenant with the documentation form and inform them of their rights. Landlords may not move forward in the eviction process if the tenant has provided this documentation.
- The timeframe within which a tenant must respond to an eviction notice for non-payment in order to avoid an eviction filing is temporarily extended from 72 hours to 10 days, to allow the tenant time to seek assistance, download translated forms if necessary, and return the form to the landlord.
- If an eviction is filed and a tenant returns the form at or before the First Appearance, the tenant is protected.
- The prohibition on late fees and reporting a tenant’s nonpayment balance as delinquent to any consumer credit reporting agency during they moratorium, as well as other protections, are extended.

- During the extended moratorium, no cause evictions are only allowed if a landlord intends to sell the unit to someone who will occupy it, demolish or convert the unit, undertake major repairs/renovations when the home is or will be unsafe to occupy, or move themselves or a family member into the unit. In other words, ORS 90.427(5) landlord-based cause evictions are allowed (as under previous law).

***Changes to the Eviction Moratorium since prior draft:***

- Reduced the temporary extension of the timeline for responding to a non-payment of rent notice from 15 days down to 10 days.
- Specifies that a landlord may send a “you still owe rent” reminder, that may include a voluntary payment plan offer, at any time. Landlord to include a notice of rights and a declaration form when sending this reminder.
- Tenant deadline to submit form in defense to an eviction filing is moved from “entry of judgment of restitution” to “at or before first appearance”
- Clarifies that a landlord may deduct past due rent from a security deposit at the end of a tenancy.
- Includes a new provision temporarily increasing the damages for violation of the prohibition against retaliation from 2 months’ rent/actual damages to 3 months’ rent/actual damages.
- Clarifies that a tenant who is protected by the moratorium is not legally “in default” of rent while the protection is in place, for purposes of retaliation and discrimination provisions.
- Clarifies that while the protection is in place for qualifying tenants, a landlord may not sue a tenant for non-payment.

**Eviction Moratorium Sunset (Sections 18-23)**

The eviction moratorium sunsets, and provisions revert back to current law, on July 1, 2021.

- Sections 19 and 23 provide the sunset for the changes to retaliation damages increase.
- Section 20 and Section 23 provide the sunset for the extension of the notice of non-payment.
- Sections 21 and 22 and 23 provide the sunset for the changes to the FED forms required to implement the bill.
- Section 24 repeals the moratorium extension on July 1, 2021.