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SUMMARY

Establishes and regulates rental obligations insurance and insurers that issue rental obligations insurance policies.

Establishes and regulates rental assurances agreements under which residential tenants pay landlord to cover rental obligations insurance premiums.

Requires landlord to offer rental assurances agreement to certain applicants who would otherwise be denied and to offer tenancy if agreement is executed and rental obligations insurance is procured. Sunsets requirement January 2, 2026.

Prohibits landlords from charging security deposit greater than 1.5 times monthly rent.

A BILL FOR AN ACT

1
2 Relating to residential tenancies; creating new provisions; and amending
3 ORS 90.100, 90.140, 90.300, 90.302 and 90.392.

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

5 **SECTION 1. Sections 2 and 3 of this 2022 Act are added to and made**
6 **a part of the Insurance Code.**

7 **SECTION 2. (1)(a) As used in this section:**

8 (A) **“Landlord” means a landlord as defined in ORS 90.100 that is**
9 **or is applying to be the insured under a rental obligations insurance**
10 **policy.**

11 (B) **“Tenant-applicant” means an individual or family who is ap-**
12 **plying to become a tenant of the landlord or is already a tenant of the**
13 **landlord.**

14 (C) **“Insurer” means an insurer as defined in ORS 731.106 that pro-**
15 **vides a rental obligations insurance policy.**

1 (D) “Rental obligations insurance” means insurance that provides
2 limited coverage to a landlord against financial loss from a specific
3 tenant’s nonpayment of financial obligations under the rental agree-
4 ment and against damages to the dwelling unit during the rental
5 agreement but does not include claims based on:

- 6 (i) Ordinary wear and tear;
- 7 (ii) Personal injury; or
- 8 (iii) Consequential losses from covered damages.

9 (b) Except as provided in paragraph (a)(A) of this subsection and
10 unless context otherwise requires, the definitions in ORS 90.100 apply
11 to this section.

12 (2) An insurer may not require that a landlord or tenant-applicant
13 pay a screening charge before issuing or evaluating a rental obli-
14 gations insurance policy, but may require that the landlord provide
15 information and documentation on the tenant-applicant that the
16 landlord has received from the tenant-applicant, a tenant screening
17 company or a consumer credit reporting agency or has otherwise ob-
18 tained.

19 (3) In deciding whether to issue a rental obligations insurance pol-
20 icy or in calculating premiums for a rental obligations insurance pol-
21 icy, an insurer may only consider:

- 22 (a) The tenant-applicant’s income;
- 23 (b) The tenant-applicant’s financial and rental history, including
24 prior claims paid by a rental obligations insurance policy for losses
25 caused by the tenant-applicant;
- 26 (c) The amount the tenant-applicant will pay as a security deposit
27 and rent; and
- 28 (d) The coverage limits of the rental obligations insurance policy.

29 (4)(a) The insurer shall create a written rental obligations insurance
30 policy detailing:

- 31 (A) The information required from the landlord by an insurer under

1 subsection (2) of this section; and

2 (B) The methods by which the insurer determines whether to issue
3 a policy and calculates premiums under subsection (3) of this section.

4 (b) A copy of the policy created under this subsection must be made
5 available to any person upon request.

6 (5) A rental obligations insurance policy may not require or allow
7 the landlord to assign rights of recovery against the tenant-applicant
8 to the insurer, except to reimburse the insurer for a claim paid for a
9 tenant-applicant whose coverage under the policy was obtained based
10 on the tenant-applicant's fraud or forgery in the application.

11 (6) An insurer may not:

12 (a) Increase the premiums for a rental obligations insurance policy
13 during the term of the policy or during a renewal or extension of the
14 policy except in response to a claim paid by an insurer for the covered
15 landlord's tenant-applicant during the tenant-applicant's previous
16 tenancy.

17 (b) Cancel or decline to renew a rental obligations insurance policy
18 during the term of the rental agreement, including during a renewal
19 or extension of the term, except that an insurer may cancel a policy
20 based on nonpayment of premiums.

21 (7) A rental obligations insurance policy must name the tenant-
22 applicant as an interested party and notify the tenant-applicant of:

23 (a) Denial of coverage;

24 (b) Establishment of coverage and the amount of premiums;

25 (c) Changes to the premiums;

26 (d) Cancellation or nonrenewal of the policy; or

27 (e) Reduction of policy coverage.

28 (8) A rental obligations insurance policy may require that the
29 landlord exhaust claims against the tenant-applicant's security deposit
30 before the insurer will pay claims covered under the policy.

31 SECTION 3. (1) An insurer may not provide a rental obligations

1 insurance policy as defined in section 2 of this 2022 Act unless the
2 insurer:

3 (a) Is registered with and approved by the Housing and Community
4 Services Department based on criteria established by the department
5 by rule.

6 (b) Is not owned by a landlord as defined in ORS 90.100 and is not
7 part of an integrated enterprise, as described in ORS 653.422, with any
8 landlord.

9 (c) Maintains on file with the Housing and Community Services
10 Department a copy of the policy required under section 2 (4) of this
11 2022 Act.

12 (d) Conforms with other regulations placed on the insurer adopted
13 by rule by the Department of Consumer and Business Services or
14 Housing and Community Services Department.

15 (2) An insurer shall notify the Department of Consumer and Busi-
16 ness Services and Housing and Community Services Department of
17 changes in the insurer's policy under section 2 (4) of this 2022 Act no
18 less than 30 days before the effective date of those changes.

19 SECTION 4. Sections 5 and 6 of this 2022 Act are added to and made
20 a part of ORS chapter 90.

21 SECTION 5. (1) As used in this section:

22 (a) "Rental assurances agreement" means an agreement between a
23 landlord and a tenant, including an applicant who is applying to be-
24 come a tenant, in which the tenant agrees to pay a monthly charge
25 during the rental agreement to reimburse the landlord's costs for
26 premiums for a rental obligations insurance policy for that tenant.

27 (b) "Rental obligations insurance" has the meaning given that term
28 in section 2 of this 2022 Act.

29 (c) "Tenant" means a tenant as defined in ORS 90.100, including an
30 applicant who is applying to become a tenant.

31 (2) A landlord and tenant may enter a rental assurances agreement

1 only as allowed in this section.

2 (3)(a) A charge under a rental assurances agreement must be a
3 fixed, regular monthly charge that:

4 (A) Is equal to the monthly share of the landlord's premiums for
5 the rental obligations insurance policy; and

6 (B) May not be increased during the tenancy except to match an
7 increase in the cost of the premiums under section 2 (6) of this 2022
8 Act.

9 (b) A landlord may not collect any charge under a rental assurances
10 agreement to cover premiums for a rental obligations insurance policy
11 if the coverage limits of the rental obligations insurance policy exceed
12 the sum of:

13 (A) Three times the monthly rent charged by the landlord; and

14 (B) The amount by which the security deposit is reduced, if a re-
15 duction is elected by the tenant under subsection (4)(a) of this section.

16 (4) A rental assurances agreement:

17 (a) Must allow a tenant to choose to pay a reduced security deposit
18 in an amount of the tenant's choosing. The amount of the deduction
19 must be specified within the rental assurances agreement.

20 (b) Must be executed separately from the rental agreement and
21 rental application.

22 (c) Must be voluntary, except that a landlord may require a rental
23 assurances agreement from a tenant who would otherwise be denied
24 based on reasons under ORS 90.304 (2)(a), (c) or (d).

25 (d) Is terminated if the insurer does not issue or cancels the rental
26 obligations insurance policy.

27 (e) May be terminated by a tenant at any time before the execution
28 of the rental agreement.

29 (5) A rental assurances agreement must conspicuously disclose to
30 the tenant:

31 (a) That the payment of charges under the rental assurances

1 agreement does not relieve the tenant of obligations under the rental
2 agreement, including the obligations to pay rent through the end of
3 the tenancy and to return the property to the landlord undamaged
4 except for ordinary wear and tear.

5 (b) The coverage policy limits that a landlord will require, as lim-
6 ited by subsection (3)(b) of this section.

7 (c) The security deposit ordinarily charged by the landlord as lim-
8 ited by ORS 90.300 (2).

9 (d) That the tenant may choose to pay less than the full amount
10 of the security deposit, but that paying a lower security deposit may
11 result in higher premiums for the landlord's rental obligations insur-
12 ance policy and result in the tenant owing greater monthly charges
13 under the rental assurances agreement.

14 (e) Whether, if the tenant does not agree to the rental assurances
15 agreement or no insurer will issue a rental obligations insurance pol-
16 icy:

17 (A) The tenant will be denied under ORS 90.304 (2)(a), (c) or (d); or

18 (B) The tenant will be required to pay in full the security deposit
19 ordinarily charged by the landlord.

20 (f) That the tenant may choose that the landlord purchase a rental
21 obligations insurance policy from any insurer that is registered under
22 section 3 of this 2022 Act, including an insurer not identified by the
23 landlord.

24 (g) For each insurer that the landlord has identified:

25 (A) The name and address of the insurer; and

26 (B) Copies of the policies of the insurer described under section 2
27 (4) of this 2022 Act.

28 (6) A tenant's nonpayment of charges required under a rental as-
29 surances agreement is not grounds for termination of a rental agree-
30 ment for nonpayment of rent under ORS 90.394 but is grounds for
31 termination of a rental agreement for cause under ORS 90.392.

1 (7) The Housing and Community Services Department may adopt
2 rules regulating rental assurances agreements that may include re-
3 quiring notices to tenants about the agreements or specifying the form
4 or contents of the agreement.

5 **SECTION 6.** (1) Before denying an application under 90.304 (2)(a),
6 (c) or (d), if the applicant demonstrates an income of at least twice
7 rent, a landlord must first offer the applicant a rental assurances
8 agreement under section 5 of this 2022 Act.

9 (2) A landlord who is required to offer a rental assurances agree-
10 ment under this section shall use reasonable efforts to identify at least
11 one insurer who can provide the landlord with a rental obligations
12 insurance policy.

13 (3) A landlord who is required to offer a rental assurances agree-
14 ment under this section may not deny an applicant's rental application
15 if:

16 (a) The applicant enters into a rental assurances agreement; and

17 (b) An insurer offers the landlord a rental obligations insurance
18 policy.

19 (4) An applicant whose application is denied based on subsection (3)
20 of this section is not considered a denied applicant for the purposes
21 of a local ordinance.

22 **SECTION 7.** Section 6 of this 2022 Act is repealed on January 2, 2026.

23 **SECTION 8.** ORS 90.300 is amended to read:

24 90.300. (1) As used in this section, "security deposit" includes any last
25 month's rent deposit.

26 (2)(a) Except as otherwise provided in this section, a landlord may require
27 a tenant to pay a security deposit **in an amount not to exceed 1.5 times**
28 **the monthly rent.** The landlord shall provide the tenant with a receipt for
29 any security deposit the tenant pays. The landlord shall hold a security de-
30 posit or prepaid rent for the tenant who is a party to the rental agreement.
31 A tenant's claim to the security deposit or prepaid rent is prior to the claim

1 of a creditor of the landlord, including a trustee in bankruptcy.

2 (b) Except as provided in ORS 86.782 (10), the holder of the landlord's
3 interest in the premises at the time the tenancy terminates is responsible to
4 the tenant for any security deposit or prepaid rent and is bound by this
5 section.

6 (3) A written rental agreement, if any, must list a security deposit paid
7 by a tenant or required by a landlord.

8 (4) A landlord may not charge a tenant a pet security deposit for keeping
9 a service animal or companion animal that a tenant with a disability re-
10 quires as a reasonable accommodation under fair housing laws.

11 (5)(a) Except as otherwise provided in this subsection, a landlord may not
12 change the rental agreement to require the tenant to pay a new or increased
13 security deposit during the first year after the tenancy has begun. Subject
14 to subsection (4) of this section, the landlord may require an additional de-
15 posit if the landlord and tenant agree to modify the terms and conditions of
16 the rental agreement to permit a pet or for other cause and the additional
17 deposit relates to the modification. This paragraph does not prevent a land-
18 lord from collecting a security deposit that an initial rental agreement pro-
19 vided for but that remained unpaid at the time the tenancy began.

20 (b) If a landlord requires a new or increased security deposit after the
21 first year of the tenancy, the landlord shall allow the tenant at least three
22 months to pay the new or increased deposit.

23 (6) The landlord may claim all or part of the security deposit only if the
24 landlord required the security deposit for any or all of the purposes specified
25 in subsection (7) of this section.

26 (7)(a) The landlord may claim from the security deposit only the amount
27 reasonably necessary:

28 (A) To remedy the tenant's defaults in the performance of the rental
29 agreement including, but not limited to, unpaid rent; and

30 (B) To repair damages to the premises caused by the tenant, not including
31 ordinary wear and tear.

1 (b) A landlord is not required to repair damage caused by the tenant in
2 order for the landlord to claim against the deposit for the cost to make the
3 repair. Any labor costs the landlord assesses under this subsection for
4 cleaning or repairs must be based on a reasonable hourly rate. The landlord
5 may charge a reasonable hourly rate for the landlord's own performance of
6 cleaning or repair work.

7 (c) Defaults and damages for which a landlord may recover under this
8 subsection include, but are not limited to:

9 (A) Carpet cleaning, other than the use of a common vacuum cleaner, if:

10 (i) The cleaning is performed by use of a machine specifically designed for
11 cleaning or shampooing carpets;

12 (ii) The carpet was cleaned or replaced after the previous tenancy or the
13 most recent significant use of the carpet and before the tenant took pos-
14 session; and

15 (iii) The written rental agreement provides that the landlord may deduct
16 the cost of carpet cleaning regardless of whether the tenant cleans the carpet
17 before the tenant delivers possession as described in ORS 90.147.

18 (B) Loss of use of the dwelling unit during the performance of necessary
19 cleaning or repairs for which the tenant is responsible under this subsection
20 if the cleaning or repairs are performed in a timely manner.

21 (8) A landlord may not require a tenant to pay or to forfeit a security
22 deposit or prepaid rent to the landlord for the tenant's failure to maintain
23 a tenancy for a minimum number of months in a month-to-month tenancy.

24 (9) The landlord must apply any last month's rent deposit to the rent due
25 for the last month of the tenancy:

26 (a) When either the landlord or the tenant gives to the other a notice of
27 termination, pursuant to this chapter, other than a notice of termination
28 under ORS 90.394;

29 (b) When the landlord and tenant agree to terminate the tenancy; or

30 (c) When the tenancy terminates in accordance with the provisions of a
31 written rental agreement for a term tenancy.

1 (10) A landlord shall account for and refund as provided in subsections
2 (12) to (14) of this section any portion of a last month's rent deposit the
3 landlord does not apply as provided under subsection (9) of this section.
4 Unless the tenant and landlord agree otherwise, the tenant may not require
5 the landlord to apply a last month's rent deposit to rent due for any period
6 other than the last month of the tenancy. A last month's rent deposit does
7 not limit the amount of rent charged unless a written rental agreement
8 provides otherwise.

9 (11) When the tenancy terminates, a landlord shall account for and refund
10 to the tenant, in the same manner this section requires for security deposits,
11 the unused balance of any prepaid rent the landlord has not previously re-
12 funded to the tenant under ORS 90.380 and 105.120 (5)(b) or any other pro-
13 vision of this chapter. The landlord may claim from the remaining prepaid
14 rent only the amount reasonably necessary to pay the tenant's unpaid rent.

15 (12) In order to claim all or part of any prepaid rent or security deposit,
16 within 31 days after the tenancy terminates and the tenant delivers pos-
17 session the landlord shall give to the tenant a written accounting that states
18 specifically the basis or bases of the claim. The landlord shall give a separate
19 accounting for security deposits and for prepaid rent.

20 (13) The landlord shall return to the tenant the security deposit or pre-
21 paid rent or the portion of the security deposit or prepaid rent that the
22 landlord does not claim in the manner provided by subsections (11) and (12)
23 of this section not later than 31 days after the tenancy terminates and the
24 tenant delivers possession to the landlord.

25 (14) The landlord shall give the written accounting required under sub-
26 section (12) of this section or shall return the security deposit or prepaid
27 rent as required by subsection (13) of this section by personal delivery or by
28 first class mail.

29 (15) If a security deposit or prepaid rent secures a tenancy for a space for
30 a manufactured dwelling or floating home the tenant owns and occupies,
31 whether or not in a facility, and the dwelling or home is abandoned as de-

1 scribed in ORS 90.425 (2) or 90.675 (2), the 31-day period described in sub-
2 sections (12) and (13) of this section commences on the earliest of:

3 (a) Waiver of the abandoned property process under ORS 90.425 (26) or
4 90.675 (24);

5 (b) Removal of the manufactured dwelling or floating home from the
6 rented space;

7 (c) Destruction or other disposition of the manufactured dwelling or
8 floating home under ORS 90.425 (10)(b) or 90.675 (10)(b); or

9 (d) Sale of the manufactured dwelling or floating home pursuant to ORS
10 90.425 (10)(a) or 90.675 (10)(a).

11 (16) If the landlord fails to comply with subsection (13) of this section or
12 if the landlord in bad faith fails to return all or any portion of any prepaid
13 rent or security deposit due to the tenant under this chapter or the rental
14 agreement, the tenant may recover the money due in an amount equal to
15 twice the amount:

16 (a) Withheld without a written accounting under subsection (12) of this
17 section; or

18 (b) Withheld in bad faith.

19 (17)(a) A security deposit or prepaid rent in the possession of the landlord
20 is not garnishable property, as provided in ORS 18.618.

21 (b) If a landlord delivers a security deposit or prepaid rent to a garnishor
22 in violation of ORS 18.618 (1)(b), the landlord that delivered the security
23 deposit or prepaid rent to the garnishor shall allow the tenant at least 30
24 days after a copy of the garnishee response required by ORS 18.680 is deliv-
25 ered to the tenant under ORS 18.690 to restore the security deposit or pre-
26 paid rent. If the tenant fails to restore a security deposit or prepaid rent
27 under the provisions of this paragraph before the tenancy terminates, and the
28 landlord retains no security deposit or prepaid rent from the tenant after the
29 garnishment, the landlord is not required to refund or account for the secu-
30 rity deposit or prepaid rent under subsection (11) of this section.

31 (18) This section does not preclude the landlord or tenant from recovering

1 other damages under this chapter.

2 **SECTION 9.** ORS 90.140 is amended to read:

3 90.140. (1) A landlord may require or accept the following types of pay-
4 ments:

5 (a) Applicant screening charges, pursuant to ORS 90.295;

6 (b) Deposits to secure the execution of a rental agreement, pursuant to
7 ORS 90.297;

8 (c) Security deposits, pursuant to ORS 90.300;

9 **(d) Rental assurances agreement charges, pursuant to section 5 of**
10 **this 2022 Act;**

11 ~~[(d)]~~ (e) Fees, pursuant to ORS 90.302;

12 ~~[(e)]~~ (f) Rent, as defined in ORS 90.100;

13 ~~[(f)]~~ (g) Prepaid rent, as defined in ORS 90.100;

14 ~~[(g)]~~ (h) Utility or service charges, pursuant to ORS 90.315 (4), 90.568 or
15 90.572;

16 ~~[(h)]~~ (i) Late charges or fees, pursuant to ORS 90.260; and

17 ~~[(i)]~~ (j) Damages, for noncompliance with a rental agreement or ORS
18 90.325, under ORS 90.401 or as provided elsewhere in this chapter.

19 (2) A tenant who requests a writing that evidences the tenant's payment
20 is entitled to receive that writing from the landlord as a condition for mak-
21 ing the payment. The writing may be a receipt, statement of the tenant's
22 account or other acknowledgment of the tenant's payment. The writing must
23 include the amount paid, the date of payment and information identifying the
24 landlord or the rental property. If the tenant makes the payment by mail,
25 deposit or a method other than in person and requests the writing, the
26 landlord shall within a reasonable time provide the tenant with the writing
27 in a manner consistent with ORS 90.150.

28 **SECTION 10.** ORS 90.302 is amended to read:

29 90.302. (1) A landlord may not charge a fee at the beginning of the
30 tenancy for an anticipated landlord expense and may not require the payment
31 of any fee except as provided in this section. A fee must be described in a

1 written rental agreement.

2 (2) A landlord may charge a tenant a fee for each occurrence of the fol-
3 lowing:

4 (a) A late rent payment, pursuant to ORS 90.260.

5 (b) A dishonored check, pursuant to ORS 30.701 (5). The amount of the fee
6 may not exceed the amount described in ORS 30.701 (5) plus any amount that
7 a bank has charged the landlord for processing the dishonored check.

8 (c) Removal or tampering with a properly functioning smoke alarm, smoke
9 detector or carbon monoxide alarm, as provided in ORS 90.325 (2). The
10 landlord may charge a fee of up to \$250 unless the State Fire Marshal as-
11 sesses the tenant a civil penalty for the conduct under ORS 479.990 or under
12 ORS 105.836 to 105.842 and 476.725.

13 (d) The violation of a written pet agreement or of a rule relating to pets
14 in a facility, pursuant to ORS 90.530.

15 (e) The abandonment or relinquishment of a dwelling unit during a fixed
16 term tenancy without cause. The fee may not exceed one and one-half times
17 the monthly rent. A landlord may not assess a fee under this paragraph if
18 the abandonment or relinquishment is pursuant to ORS 90.453 (2), 90.472 or
19 90.475. If the landlord assesses a fee under this paragraph:

20 (A) The landlord may not recover unpaid rent for any period of the fixed
21 term tenancy beyond the date that the landlord knew or reasonably should
22 have known of the abandonment or relinquishment;

23 (B) The landlord may not recover damages related to the cost of renting
24 the dwelling unit to a new tenant; and

25 (C) ORS 90.410 (3) does not apply to the abandonment or relinquishment.

26 (3)(a) A landlord may charge a tenant a fee under this subsection for a
27 second noncompliance or for a subsequent noncompliance with written rules
28 or policies that describe the prohibited conduct and the fee for a second
29 noncompliance, and for any third or subsequent noncompliance, that occurs
30 within one year after a written warning notice described in subparagraph (A)
31 of this paragraph. Except as provided in paragraph (b)(G) or (H) of this

1 subsection, the fee may not exceed \$50 for the second noncompliance within
2 one year after the warning notice for the same or a similar noncompliance
3 or \$50 plus five percent of the rent payment for the current rental period for
4 a third or subsequent noncompliance within one year after the warning no-
5 tice for the same or a similar noncompliance. The landlord:

6 (A) Shall give a tenant a written warning notice that describes:

7 (i) A specific noncompliance before charging a fee for a second or subse-
8 quent noncompliance for the same or similar conduct; and

9 (ii) The amount of the fee for a second noncompliance, and for any sub-
10 sequent noncompliance, that occurs within one year after the warning notice.

11 (B) Shall give a tenant a written notice describing the noncompliance
12 when assessing a fee for a second or subsequent noncompliance that occurs
13 within one year after the warning notice.

14 (C) Shall give a warning notice for a noncompliance or assess a fee for
15 a second or subsequent noncompliance within 30 days after the act consti-
16 tuting noncompliance.

17 (D) May terminate a tenancy for a noncompliance consistent with this
18 chapter instead of assessing a fee under this subsection, but may not assess
19 a fee and terminate a tenancy for the same noncompliance.

20 (E) May not deduct a fee assessed pursuant to this subsection from a rent
21 payment for the current or a subsequent rental period.

22 (b) A landlord may charge a tenant a fee for occurrences of noncompli-
23 ance with written rules or policies as provided in paragraph (a) of this sub-
24 section for the following types of noncompliance:

25 (A) The late payment of a utility or service charge that the tenant owes
26 the landlord [*as described in*] **under ORS 90.315 or a rental assurances**
27 **agreement charge under section 5 of this 2022 Act.**

28 (B) Failure to clean up pet waste from a part of the premises other than
29 the dwelling unit.

30 (C) Failure to clean up the waste of a service animal or a companion
31 animal from a part of the premises other than the dwelling unit.

1 (D) Failure to clean up garbage, rubbish and other waste from a part of
2 the premises other than the dwelling unit.

3 (E) Parking violations.

4 (F) The improper use of vehicles within the premises.

5 (G) Smoking in a clearly designated nonsmoking unit or area of the
6 premises. The fee for a second or any subsequent noncompliance under this
7 subparagraph may not exceed \$250. A landlord may not assess this fee before
8 24 hours after the required warning notice to the tenant.

9 (H) Keeping on the premises an unauthorized pet capable of causing
10 damage to persons or property, as described in ORS 90.405. The fee for a
11 second or any subsequent noncompliance under this subparagraph may not
12 exceed \$250. A landlord may not assess this fee before 48 hours after the
13 required warning notice to the tenant.

14 (4) A landlord may not be required to account for or return to the tenant
15 any fee.

16 (5) Except as provided in subsection (2)(e) of this section, a landlord may
17 not charge a tenant any form of liquidated damages, however designated.

18 (6) Nonpayment of a fee is not grounds for termination of a rental
19 agreement for nonpayment of rent under ORS 90.394, but is grounds for ter-
20 mination of a rental agreement for cause under ORS 90.392 or 90.630 (1).

21 (7) This section does not apply to:

22 (a) Attorney fees awarded pursuant to ORS 90.255;

23 (b) Applicant screening charges paid pursuant to ORS 90.295;

24 (c) Charges for improvements or other actions that are requested by the
25 tenant and are not required of the landlord by the rental agreement or by
26 law, including the cost to replace a key lost by a tenant;

27 (d) Processing fees charged to the landlord by a credit card company and
28 passed through to the tenant for the use of a credit card by the tenant to
29 make a payment when:

30 (A) The credit card company allows processing fees to be passed through
31 to the credit card holder; and

1 (B) The landlord allows the tenant to pay in cash or by check;

2 (e) A requirement by a landlord in a written rental agreement that a
3 tenant obtain and maintain renter's liability insurance pursuant to ORS
4 90.222; or

5 (f) Assessments, as defined in ORS 94.550 and 100.005, for a dwelling unit
6 that is within a homeowners association organized under ORS 94.625 or an
7 association of unit owners organized under ORS 100.405, respectively, if:

8 (A) The assessments are imposed by the association on a landlord who
9 owns a dwelling unit within the association and the landlord passes the as-
10 sessments through to a tenant of the unit;

11 (B) The assessments are imposed by the association on any person for
12 expenses related to moving into or out of a unit located within the associ-
13 ation;

14 (C) The landlord sets forth the assessment requirement in the written
15 rental agreement at the commencement of the tenancy; and

16 (D) The landlord gives a copy of the assessment the landlord receives from
17 the association to the tenant before or at the time the landlord charges the
18 tenant.

19 (8) If a landlord charges a tenant a fee in violation of this section, the
20 tenant may recover twice the actual damages of the tenant or \$300, which-
21 ever is greater. This penalty does not apply to fees described in subsection
22 (2) of this section.

23 (9) The landlord may unilaterally amend a rental agreement for a facility
24 subject to ORS 90.505 to 90.850 to impose fees authorized by subsection (3)
25 of this section upon a 90-day written notice to the tenant, except that a
26 marina landlord may not impose a noncompliance fee for parking under
27 subsection (3)(b)(E) of this section.

28 **SECTION 11.** ORS 90.392 is amended to read:

29 90.392. (1) Except as provided in this chapter, after delivery of written
30 notice a landlord may terminate the rental agreement for cause and take
31 possession as provided in ORS 105.105 to 105.168, unless the tenant cures the

1 violation as provided in this section.

2 (2) Causes for termination under this section are:

3 (a) Material violation by the tenant of the rental agreement. For pur-
4 poses of this paragraph, material violation of the rental agreement includes,
5 but is not limited to, the nonpayment of a late charge under ORS 90.260,
6 [or] a utility or service charge under ORS 90.315 **or a rental assurances**
7 **agreement charge under section 5 of this 2022 Act.**

8 (b) Material violation by the tenant of ORS 90.325.

9 (c) Failure by the tenant to pay rent.

10 (3) The notice must:

11 (a) Specify the acts and omissions constituting the violation;

12 (b) Except as provided in subsection (5)(a) of this section, state that the
13 rental agreement will terminate upon a designated date not less than 30 days
14 after delivery of the notice; and

15 (c) If the tenant can cure the violation as provided in subsection (4) of
16 this section, state that the violation can be cured, describe at least one
17 possible remedy to cure the violation and designate the date by which the
18 tenant must cure the violation.

19 (4)(a) If the violation described in the notice can be cured by the tenant
20 by a change in conduct, repairs, payment of money or otherwise, the rental
21 agreement does not terminate if the tenant cures the violation by the desig-
22 nated date. The designated date must be:

23 (A) At least 14 days after delivery of the notice; or

24 (B) If the violation is conduct that was a separate and distinct act or
25 omission and is not ongoing, no earlier than the date of delivery of the no-
26 tice as provided in ORS 90.155. For purposes of this paragraph, conduct is
27 ongoing if the conduct is constant or persistent or has been sufficiently re-
28 petitive over time that a reasonable person would consider the conduct to
29 be ongoing.

30 (b) If the tenant does not cure the violation, the rental agreement termi-
31 nates as provided in the notice.

1 (5)(a) If the cause of a written notice delivered under subsection (1) of
2 this section is substantially the same act or omission that constituted a prior
3 violation for which notice was given under this section within the previous
4 six months, the designated termination date stated in the notice must be not
5 less than 10 days after delivery of the notice and no earlier than the desig-
6 nated termination date stated in the previously given notice. The tenant
7 does not have a right to cure this subsequent violation.

8 (b) A landlord may not terminate a rental agreement under this sub-
9 section if the only violation is a failure to pay the current month's rent.

10 (6) When a tenancy is a week-to-week tenancy, the notice period in:

11 (a) Subsection (3)(b) of this section changes from 30 days to seven days;

12 (b) Subsection (4)(a)(A) of this section changes from 14 days to four days;
13 and

14 (c) Subsection (5)(a) of this section changes from 10 days to four days.

15 (7) The termination of a tenancy for a manufactured dwelling or floating
16 home space in a facility under ORS 90.505 to 90.850 is governed by ORS
17 90.630 and not by this section.

18 **SECTION 12.** ORS 90.100 is amended to read:

19 90.100. As used in this chapter, unless the context otherwise requires:

20 (1) "Accessory building or structure" means any portable, demountable
21 or permanent structure, including but not limited to cabanas, ramadas,
22 storage sheds, garages, awnings, carports, decks, steps, ramps, piers and
23 pilings, that is:

24 (a) Owned and used solely by a tenant of a manufactured dwelling or
25 floating home; or

26 (b) Provided pursuant to a written rental agreement for the sole use of
27 and maintenance by a tenant of a manufactured dwelling or floating home.

28 (2) "Action" includes recoupment, counterclaim, setoff, suit in equity and
29 any other proceeding in which rights are determined, including an action for
30 possession.

31 (3) "Applicant screening charge" means any payment of money required

1 by a landlord of an applicant prior to entering into a rental agreement with
2 that applicant for a residential dwelling unit, the purpose of which is to pay
3 the cost of processing an application for a rental agreement for a residential
4 dwelling unit.

5 (4) “Building and housing codes” includes any law, ordinance or govern-
6 mental regulation concerning fitness for habitation, or the construction,
7 maintenance, operation, occupancy, use or appearance of any premises or
8 dwelling unit.

9 (5) “Carbon monoxide alarm” has the meaning given that term in ORS
10 105.836.

11 (6) “Carbon monoxide source” has the meaning given that term in ORS
12 105.836.

13 (7) “Conduct” means the commission of an act or the failure to act.

14 (8) “DBH” means the diameter at breast height, which is measured as the
15 width of a standing tree at four and one-half feet above the ground on the
16 uphill side.

17 (9) “Dealer” means any person in the business of selling, leasing or dis-
18 tributing new or used manufactured dwellings or floating homes to persons
19 who purchase or lease a manufactured dwelling or floating home for use as
20 a residence.

21 (10) “Domestic violence” means:

22 (a) Abuse between family or household members, as those terms are de-
23 fined in ORS 107.705; or

24 (b) Abuse, as defined in ORS 107.705, between partners in a dating re-
25 lationship.

26 (11) “Drug and alcohol free housing” means a dwelling unit described in
27 ORS 90.243.

28 (12) “Dwelling unit” means a structure or the part of a structure that is
29 used as a home, residence or sleeping place by one person who maintains a
30 household or by two or more persons who maintain a common household.
31 “Dwelling unit” regarding a person who rents a space for a manufactured

1 dwelling or recreational vehicle or regarding a person who rents moorage
2 space for a floating home as defined in ORS 830.700, but does not rent the
3 home, means the space rented and not the manufactured dwelling, recre-
4 ational vehicle or floating home itself.

5 (13) “Essential service” means:

6 (a) For a tenancy not consisting of rental space for a manufactured
7 dwelling, floating home or recreational vehicle owned by the tenant and not
8 otherwise subject to ORS 90.505 to 90.850:

9 (A) Heat, plumbing, hot and cold running water, gas, electricity, light
10 fixtures, locks for exterior doors, latches for windows and any cooking ap-
11 pliance or refrigerator supplied or required to be supplied by the landlord;
12 and

13 (B) Any other service or habitability obligation imposed by the rental
14 agreement or ORS 90.320, the lack or violation of which creates a serious
15 threat to the tenant’s health, safety or property or makes the dwelling unit
16 unfit for occupancy.

17 (b) For a tenancy consisting of rental space for a manufactured dwelling,
18 floating home or recreational vehicle owned by the tenant or that is other-
19 wise subject to ORS 90.505 to 90.850:

20 (A) Sewage disposal, water supply, electrical supply and, if required by
21 applicable law, any drainage system; and

22 (B) Any other service or habitability obligation imposed by the rental
23 agreement or ORS 90.730, the lack or violation of which creates a serious
24 threat to the tenant’s health, safety or property or makes the rented space
25 unfit for occupancy.

26 (14) “Facility” means a manufactured dwelling park or a marina.

27 (15) “Fee” means a nonrefundable payment of money.

28 (16) “First class mail” does not include certified or registered mail, or any
29 other form of mail that may delay or hinder actual delivery of mail to the
30 recipient.

31 (17) “Fixed term tenancy” means a tenancy that has a fixed term of ex-

1 istence, continuing to a specific ending date and terminating on that date
2 without requiring further notice to effect the termination.

3 (18) “Floating home” has the meaning given that term in ORS 830.700.
4 “Floating home” includes an accessory building or structure.

5 (19) “Good faith” means honesty in fact in the conduct of the transaction
6 concerned.

7 (20) “Hazard tree” means a tree that:

8 (a) Is located on a rented space in a manufactured dwelling park;

9 (b) Measures at least eight inches DBH; and

10 (c) Is considered, by an arborist licensed as a landscape construction
11 professional pursuant to ORS 671.560 and certified by the International So-
12 ciety of Arboriculture, to pose an unreasonable risk of causing serious
13 physical harm or damage to individuals or property in the near future.

14 (21) “Hotel or motel” means “hotel” as that term is defined in ORS
15 699.005.

16 (22) “Informal dispute resolution” includes voluntary consultation be-
17 tween the landlord or landlord’s agent and one or more tenants or voluntary
18 mediation utilizing the services of a third party, but does not include man-
19 datory mediation or arbitration.

20 (23) “Landlord” means the owner, lessor or sublessor of the dwelling unit
21 or the building or premises of which it is a part. “Landlord” includes a
22 person who is authorized by the owner, lessor or sublessor to manage the
23 premises or to enter into a rental agreement.

24 (24) “Landlord’s agent” means a person who has oral or written authority,
25 either express or implied, to act for or on behalf of a landlord.

26 (25) “Last month’s rent deposit” means a type of security deposit, however
27 designated, the primary function of which is to secure the payment of rent
28 for the last month of the tenancy.

29 (26) “Manufactured dwelling” means a residential trailer, a mobile home
30 or a manufactured home as those terms are defined in ORS 446.003 or a
31 prefabricated structure. “Manufactured dwelling” includes an accessory

1 building or structure.

2 (27) “Manufactured dwelling park” means a place where four or more
3 manufactured dwellings are located, the primary purpose of which is to rent
4 space or keep space for rent to any person for a charge or fee.

5 (28) “Marina” means a moorage of contiguous dwelling units that may be
6 legally transferred as a single unit and are owned by one person where four
7 or more floating homes are secured, the primary purpose of which is to rent
8 space or keep space for rent to any person for a charge or fee.

9 (29) “Marina purchase association” means a group of three or more ten-
10 ants who reside in a marina and have organized for the purpose of eventual
11 purchase of the marina.

12 (30) “Month-to-month tenancy” means a tenancy that automatically re-
13 news and continues for successive monthly periods on the same terms and
14 conditions originally agreed to, or as revised by the parties, until terminated
15 by one or both of the parties.

16 (31) “Organization” includes a corporation, government, governmental
17 subdivision or agency, business trust, estate, trust, partnership or associ-
18 ation, two or more persons having a joint or common interest, and any other
19 legal or commercial entity.

20 (32) “Owner” includes a mortgagee in possession and means one or more
21 persons, jointly or severally, in whom is vested:

22 (a) All or part of the legal title to property; or

23 (b) All or part of the beneficial ownership and a right to present use and
24 enjoyment of the premises.

25 (33) “Person” includes an individual or organization.

26 (34) “Prefabricated structure” means a structure that is substantially
27 constructed or assembled using closed construction at an off-site location in
28 compliance with the state building code and that is sited and occupied by the
29 owner in compliance with local codes.

30 (35) “Premises” means:

31 (a) A dwelling unit and the structure of which it is a part and facilities

1 and appurtenances therein;

2 (b) Grounds, areas and facilities held out for the use of tenants generally
3 or the use of which is promised to the tenant; and

4 (c) A facility for manufactured dwellings or floating homes.

5 (36) "Prepaid rent" means any payment of money to the landlord for a
6 rent obligation not yet due. In addition, "prepaid rent" means rent paid for
7 a period extending beyond a termination date.

8 (37) "Recreational vehicle" has the meaning given that term in ORS
9 174.101.

10 (38) "Rent" means any payment to be made to the landlord under the
11 rental agreement, periodic or otherwise, in exchange for the right of a tenant
12 and any permitted pet to occupy a dwelling unit to the exclusion of others
13 and to use the premises. "Rent" does not include security deposits, fees,
14 [or] utility or service charges as described in ORS 90.315 (4) and 90.562 **or**
15 **rental assurances agreement charges under section 5 of this 2022 Act.**

16 (39) "Rental agreement" means all agreements, written or oral, and valid
17 rules and regulations adopted under ORS 90.262 or 90.510 (6) embodying the
18 terms and conditions concerning the use and occupancy of a dwelling unit
19 and premises. "Rental agreement" includes a lease. A rental agreement is
20 either a week-to-week tenancy, month-to-month tenancy or fixed term
21 tenancy.

22 (40) "Roomer" means a person occupying a dwelling unit that does not
23 include a toilet and either a bathtub or a shower and a refrigerator, stove
24 and kitchen, all provided by the landlord, and where one or more of these
25 facilities are used in common by occupants in the structure.

26 (41) "Screening or admission criteria" means a written statement of any
27 factors a landlord considers in deciding whether to accept or reject an ap-
28 plicant and any qualifications required for acceptance. "Screening or admis-
29 sion criteria" includes, but is not limited to, the rental history, character
30 references, public records, criminal records, credit reports, credit references
31 and incomes or resources of the applicant.

1 (42) “Security deposit” means a refundable payment or deposit of money,
2 however designated, the primary function of which is to secure the perform-
3 ance of a rental agreement or any part of a rental agreement. “Security de-
4 posit” does not include a fee.

5 (43) “Sexual assault” has the meaning given that term in ORS 147.450.

6 (44) “Squatter” means a person occupying a dwelling unit who is not so
7 entitled under a rental agreement or who is not authorized by the tenant to
8 occupy that dwelling unit. “Squatter” does not include a tenant who holds
9 over as described in ORS 90.427 (11).

10 (45) “Stalking” means the behavior described in ORS 163.732.

11 (46) “Statement of policy” means the summary explanation of information
12 and facility policies to be provided to prospective and existing tenants under
13 ORS 90.510.

14 (47) “Surrender” means an agreement, express or implied, as described in
15 ORS 90.148 between a landlord and tenant to terminate a rental agreement
16 that gave the tenant the right to occupy a dwelling unit.

17 (48) “Tenant”:

18 (a) Except as provided in paragraph (b) of this subsection:

19 (A) Means a person, including a roomer, entitled under a rental agree-
20 ment to occupy a dwelling unit to the exclusion of others, including a
21 dwelling unit owned, operated or controlled by a public housing authority.

22 (B) Means a minor, as defined and provided for in ORS 109.697.

23 (b) For purposes of ORS 90.505 to 90.850, means only a person who owns
24 and occupies as a residence a manufactured dwelling or a floating home in
25 a facility and persons residing with that tenant under the terms of the rental
26 agreement.

27 (c) Does not mean a guest or temporary occupant.

28 (49) “Transient lodging” means a room or a suite of rooms.

29 (50) “Transient occupancy” means occupancy in transient lodging that has
30 all of the following characteristics:

31 (a) Occupancy is charged on a daily basis and is not collected more than

1 six days in advance;

2 (b) The lodging operator provides maid and linen service daily or every
3 two days as part of the regularly charged cost of occupancy; and

4 (c) The period of occupancy does not exceed 30 days.

5 (51) "Vacation occupancy" means occupancy in a dwelling unit, not in-
6 cluding transient occupancy in a hotel or motel, that has all of the following
7 characteristics:

8 (a) The occupant rents the unit for vacation purposes only, not as a
9 principal residence;

10 (b) The occupant has a principal residence other than at the unit; and

11 (c) The period of authorized occupancy does not exceed 45 days.

12 (52) "Victim" means:

13 (a) The person against whom an incident related to domestic violence,
14 sexual assault or stalking is perpetrated; or

15 (b) The parent or guardian of a minor household member against whom
16 an incident related to domestic violence, sexual assault or stalking is per-
17 petrated, unless the parent or guardian is the perpetrator.

18 (53) "Week-to-week tenancy" means a tenancy that has all of the follow-
19 ing characteristics:

20 (a) Occupancy is charged on a weekly basis and is payable no less fre-
21 quently than every seven days;

22 (b) There is a written rental agreement that defines the landlord's and the
23 tenant's rights and responsibilities under this chapter; and

24 (c) There are no fees or security deposits, although the landlord may re-
25 quire the payment of an applicant screening charge, as provided in ORS
26 90.295.

27