

HB 2966 STAFF MEASURE SUMMARY

House Committee On Economic Recovery and Prosperity

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Meeting Dates: 3/16

WHAT THE MEASURE DOES:

Prohibits any landlord of a commercial space from terminating or delivering notice of termination of a rental agreement for a rental unit based on the commercial tenant's nonpayment. Prohibits the landlord from initiating or continuing any action to take possession of the rental unit for nonpayment. Prohibits the landlord from interfering with the tenant's possession or use of the rental unit based on the tenant's nonpayment. Permits the tenant to obtain injunctive relief and up to three months' rent plus damages if the landlord violates a prohibition. Sunsets on January 2, 2023. Declares emergency, takes effect on passage.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

On April 1, 2020, the Governor issued Executive Order 2020-13, which placed a 90-day moratorium on evictions of commercial tenants for nonpayment of rent. The order required commercial tenants to provide evidence that the nonpayment was directly or indirectly caused by the Covid-19 pandemic. In June 2020, the Legislative Assembly passed House Bill 4213, which replaced the Governor's executive order. The measure prohibited notices and evictions for nonpayment of rent, as well as other charges and fees, during the "emergency period" of April 1, 2020, through September 30, 2020. It also established a six-month grace period from September 30, 2020, through March 31, 2021, during which commercial tenants could pay for any unpaid rent, charges, and fees that were due during the emergency period. House Bill 4213 sunsets on March 31, 2021.

House Bill 2966 prohibits a landlord from terminating or delivering notice of termination of a commercial rental agreement based on the commercial tenant's nonpayment of rent. The measure sunsets on January 2, 2023.