

HB 2427 -2 STAFF MEASURE SUMMARY

House Committee On Housing

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Meeting Dates: 2/11, 4/6

WHAT THE MEASURE DOES:

Directs Housing and Community Services Department to develop and maintain a uniform rental application system, in consultation with an advisory committee representing tenant, landlord, and tenant screening company interests. Specifies that application system must provide and store uniform rental applications submitted by prospective tenants, and facilitate tenant access to prove, update, and certify information. Allows prospective tenants to authorize landlord access to stored information for the purpose of conducting tenant screening. Requires department to establish list of approved screening companies and standards for a uniform tenant screening report. Releases department from liability for inaccurate information certified by a tenant on application. Requires landlords to accept, electronically or on paper, prospective tenant submission of uniform rental application that includes a uniform tenant screening report. Prohibits landlords from imposing a screening fee greater than \$10 if an applicant submits a uniform rental application and tenant screening report using the system established by this Act. Establishes operational date of January 1, 2022. Takes effect on the 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Financial impact on tenants submitting multiple application fees in securing a rental
- Historical disproportionate impacts on people of color and people with disabilities
- Addressing internet access issues in underserved rural and urban areas
- Efficiency concerns regarding current application and screening process for landlords and tenants

EFFECT OF AMENDMENT:

-2 Requires landlord to accept uniform rental application from a prospective tenant on paper or online, if tenant provides landlord with instructions for accessing tenant's online application and online screening report. Expands advisory committee membership to include community social service organization and directs advisory committee to consider accessibility, ease of use and security for tenants and landlords who use uniform rental application system. Directs Housing and Community Services Department to develop uniform rental application system no later than September 1, 2022. Applies provisions of this Act to landlords accepting applications for a rental agreement on or after September 1, 2022.

BACKGROUND:

Oregon residential landlord and tenant law describes the process for rental application, screening procedures, and related fees. Many landlords rely on privately owned tenant screening services which are paid for by the tenant as part of an application fee. In 2019, SB 484 addressed costs for tenants by requiring a single application fee for rental of one of multiple units owned or managed by the same landlord, and for application fees to be refunded to applicants who are not selected for tenancy.

House Bill 2427 directs Oregon Housing and Community Services to develop and maintain a uniform rental application system, in consultation with an advisory committee representing tenant, landlord and tenant screening company interests. It establishes an online system for application submission and review, and prohibits landlords from imposing a screening fee greater than \$10 for applicants who submit a uniform application and

tenant screening report using the new system.

PRELIMINARY