

HB 2550 A -A2, -A3 STAFF MEASURE SUMMARY

Senate Committee On Housing and Development

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Meeting Dates: 5/4, 5/25

WHAT THE MEASURE DOES:

Requires seller's agent to redact or withhold communication between buyer and seller to avoid selection of buyer based on race, color, religion, sex, sexual orientation, national origin, marital status, or familial status.

ISSUES DISCUSSED:

- Enforcement of anti-discrimination laws
- Regulation of "love letters" in real estate transactions
- Litigation risk
- Implicit bias
- Redlining
- Racial disparities in homeownership

EFFECT OF AMENDMENT:

-A2 Removes "as necessary" from obligation of buyer to only communicate with buyer through customary documents in real estate transactions.

-A3 Instructs seller's agent to reject prohibited communication rather than redact or withhold it. Removes "as necessary" from obligation of buyer to only communicate with buyer through customary documents in real estate transactions.

BACKGROUND:

Oregon law defines the obligations of real estate licensees, including disclosure, confidentiality, and other due diligence in a real estate transaction.

The federal Fair Housing Act (1968) prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on a person's race, color, national origin, religion, sex, familial status, or physical or mental disability. Fair Housing laws more generally refer to federal, state, and local laws that prohibit housing discrimination.

House Bill 2550 A requires the seller's agent to redact or withhold communication between the buyer and seller to avoid the selection of a buyer based on race, color, religion, sex, sexual orientation, national origin, marital status, or familial status, as prohibited by the Fair Housing Act. Customary real estate transaction documents, including photographs, may still be communicated between buyer and seller.