

House Bill 2097

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor Kate Brown for Housing and Community Services Department)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Exempts landlords providing reduced rent under government program from limits on rent increases.

A BILL FOR AN ACT

1
2 Relating to rent increase notices; amending ORS 90.323 and 90.600.

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

4 **SECTION 1.** ORS 90.323 is amended to read:

5 90.323. (1) If a tenancy is a week-to-week tenancy, the landlord may not increase the rent with-
6 out giving the tenant written notice at least seven days prior to the effective date of the rent in-
7 crease.

8 (2) For purposes of this section, the term "consumer price index" refers to the annual 12-month
9 average change in the Consumer Price Index for All Urban Consumers, West Region (All Items), as
10 published by the Bureau of Labor Statistics of the United States Department of Labor in September
11 of the prior calendar year.

12 (3) During any tenancy other than week-to-week, the landlord may not increase the rent:

13 (a) During the first year after the tenancy begins.

14 (b) At any time after the first year of the tenancy without giving the tenant written notice at
15 least 90 days prior to the effective date of the rent increase.

16 (c) During any 12-month period, in an amount greater than seven percent plus the consumer
17 price index above the existing rent [*except as permitted under subsection (7) of this section*].

18 (4) The notices required under this section must specify:

19 (a) The amount of the rent increase;

20 (b) The amount of the new rent; **and**

21 [*(c) Facts supporting the exemption authorized by subsection (7) of this section, if the increase is*
22 *above the amount allowed in subsection (3)(c) of this section; and]*

23 [*(d)*] (c) The date on which the increase becomes effective.

24 (5) This section does not apply to tenancies governed by ORS 90.505 to 90.850.

25 (6) **Except for tenancies described in subsection (7) of this section**, a landlord terminating
26 a tenancy with a 30-day notice without cause as authorized by ORS 90.427 (3) or (4) during the first
27 year of a tenancy may not reset rent for the next tenancy in an amount greater than seven percent
28 plus the consumer price index above the previous rent.

29 [*(7) A landlord is not subject to subsection (3)(c) or (6) of this section when:*]

30 [*(a) The first certificate of occupancy for the dwelling unit was issued less than 15 years from the*
31 *date of the notice of the rent increase; or]*

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 *[(b) The landlord is providing reduced rent to the tenant as part of a federal, state or local program*
2 *or subsidy.]*

3 **(7) If the rent increase notice includes facts supporting the exemption under this sub-**
4 **section:**

5 **(a) Subsection (3)(c) of this section does not apply to tenancies in a dwelling unit for**
6 **which the first certificate of occupancy was issued less than 15 years prior to the notice.**

7 **(b) Subsection (3) of this section does not apply to a tenancy if the tenant pays reduced**
8 **rent through a federal, state or local program or subsidy and the rent increase will not result**
9 **in the tenant paying rent that exceeds 30 percent of the tenant's income as required by the**
10 **program or subsidy.**

11 (8) A landlord that increases rent in violation of subsection (3)(c) or (6) of this section is liable
12 to the tenant in an amount equal to three months' rent plus actual damages suffered by the tenant.

13 **SECTION 2.** ORS 90.600 is amended to read:

14 90.600. (1) For purposes of this section, the term "consumer price index" refers to the annual
15 12-month average change in the Consumer Price Index for All Urban Consumers, West Region (All
16 Items), as published by the Bureau of Labor Statistics of the United States Department of Labor in
17 September of the prior calendar year.

18 (2) If a rental agreement is a month-to-month tenancy to which ORS 90.505 to 90.850 apply, the
19 landlord may not increase the rent:

20 (a) Without giving each affected tenant notice in writing at least 90 days prior to the effective
21 date of the rent increase; and

22 (b) During any 12-month period, in an amount greater than seven percent plus the consumer
23 price index above the existing rent.

24 (3) The written notice required *[by subsection (2)(a) of]* **under** this section must specify:

25 (a) The amount of the rent increase;

26 (b) The amount of the new rent; **and**

27 *[(c) Facts supporting the exemption authorized by subsection (4) of this section, if the increase is*
28 *above the amount allowed in subsection (2)(b) of this section; and]*

29 *[(d)]* (c) The date on which the increase becomes effective.

30 *[(4) A landlord is not subject to subsection (2)(b) of this section when:]*

31 *[(a) The first certificate of occupancy for the dwelling unit was issued less than 15 years from the*
32 *date of the notice of the rent increase; or]*

33 *[(b) The landlord is providing reduced rent to the tenant as part of a federal, state or local program*
34 *or subsidy.]*

35 **(4) If the rent increase notice includes facts supporting the exemption under this sub-**
36 **section:**

37 **(a) Subsection (2)(b) of this section does not apply to tenancies in a space in a facility**
38 **that was first occupied by a tenant less than 15 years prior to the notice.**

39 **(b) Subsection (2) of this section does not apply to a tenancy if the tenant pays reduced**
40 **rent through a federal, state or local program or subsidy and the rent increase will not result**
41 **in the tenant paying rent that exceeds 30 percent of the tenant's income as required by the**
42 **program or subsidy.**

43 (5) A landlord that increases rent in violation of subsection (2)(b) of this section shall be liable
44 to the tenant in an amount equal to three months' rent plus actual damages suffered by the tenant.

45 (6) This section does not create a right to increase rent that does not otherwise exist.

1 (7) This section does not require a landlord to compromise, justify or reduce a rent increase that
 2 the landlord otherwise is entitled to impose.

3 (8) Neither ORS 90.510 (1), requiring a landlord to provide a statement of policy, nor ORS 90.510
 4 (4), requiring a landlord to provide a written rental agreement, [*create*] **creates** a basis for tenant
 5 challenge of a rent increase, judicially or otherwise.

6 (9)(a) The tenants who reside in a facility may elect one committee of seven or fewer members
 7 in a facility-wide election to represent the tenants. One tenant of record for each rented space may
 8 vote in the election. Upon written request from the tenants' committee, the landlord or a represen-
 9 tative of the landlord shall meet with the committee within 10 to 30 days of the request to discuss
 10 the tenants' nonrent concerns regarding the facility. Unless the parties agree otherwise, upon a
 11 request from the tenants' committee, a landlord or representative of the landlord shall meet with the
 12 tenants' committee at least once, but not more than twice, each calendar year. The meeting shall
 13 be held on the premises if the facility has suitable meeting space for that purpose, or at a location
 14 reasonably convenient to the tenants. After the meeting, the tenants' committee shall send a written
 15 summary of the issues and concerns addressed at the meeting to the landlord. The landlord or the
 16 landlord's representative shall make a good faith response in writing to the committee's summary
 17 within 60 days.

18 (b) The tenants' committee may be entitled to informal dispute resolution under ORS 90.769 if
 19 the landlord or landlord's representative fails to meet with the tenants' committee or fails to respond
 20 in good faith to the written summary as required by paragraph (a) of this subsection.

21 _____