House Bill 2307

Sponsored by Representative EVANS (Presession filed.)

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.

Requires city with population of 200,000 or fewer to establish local standards to promote housing stability no later than July 1, 2023. Requires city to review local standards at least every 10 years.

Exempts from state preemption of rent control cities with populations of 200,000 or fewer that adopt local standards to promote housing stability and cities with populations greater than 200,000.

Declares emergency, effective on passage.

A BILL FOR AN ACT
Relating to local standards to promote housing stability; creating new provisions; amending ORS 91.225; and declaring an emergency.

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

SECTION 1. ORS 91.225 and section 2 of this 2021 Act are added to and made a part of ORS chapter 90.

SECTION 2. (1) Each city with a population of 200,000 or fewer shall establish, by ordinance or resolution, local standards to promote housing stability applicable to rental agreements within the jurisdiction of the city that include:

(a) Health and safety standards;
(b) A requirement that the governing body of the city or its designee approve any rent increase of 10 percent or more over a 12-month period; and
(c) Provisions to enforce the local standards, including publishing the name of a landlord or tenant found to be in violation of one or more local standards in a newspaper of general circulation in the city.

(2) The local standards established under this section must include three tiers of application, including separate tiers for landlords that own or manage:

(a) Ten or fewer dwelling units;
(b) Manufactured dwelling parks; and
(c) All other amounts and types of dwelling units.

(3) A city that establishes local standards under this section:

(a) May adopt an ordinance or resolution that controls the rent that may be charged, or the maximum percentage by which rent may be increased, for the rental of a dwelling unit located within the jurisdiction of the city.
(b) Shall consult with an advisory group when establishing local standards under this section. The advisory group shall consist of landlords and tenants from a variety of backgrounds who reside within the jurisdiction of the city.
(c) At least once every 10 years, shall review the local standards established under this section and shall adopt or amend ordinances or resolutions as the city determines is appro-
priate to promote housing stability.

SECTION 3. Each city with a population of 200,000 or fewer shall establish local standards to promote housing stability under section 2 of this 2021 Act no later than July 1, 2023.

SECTION 4. ORS 91.225 is amended to read:

91.225. (1) The Legislative Assembly finds that there is a social and economic need to insure an adequate supply of affordable housing for Oregonians. [The Legislative Assembly also finds that the imposition of general restrictions on housing rents will disrupt an orderly housing market, increase deferred maintenance of existing housing stock, lead to abandonment of existing rental units and create a property tax shift from rental-owned to owner-occupied housing.] Therefore, the Legislative Assembly declares that the imposition of rent control on housing in the State of Oregon is a matter of statewide concern.

(2) Except as provided in subsections (3) to [(5)] (6) of this section, a city with a population of 200,000 or fewer or county [shall] may not enact any ordinance or resolution which controls the rent that may be charged for the rental of any dwelling unit.

(3) This section does not impair the right of any state agency, city, county or urban renewal agency as defined by ORS 457.035 to reserve to itself the right to approve rent increases, establish base rents or establish limitations on rents on any residential property for which it has entered into a contract under which certain benefits are applied to the property for the expressed purpose of providing reduced rents for low income tenants. Such benefits include, but are not limited to, property tax exemptions, long-term financing, rent subsidies, code enforcement procedures and zoning density bonuses.

(4) Cities and counties are not prohibited from including in condominium conversion ordinances a requirement that, during the notification period specified in ORS 100.305, the owner or developer may not raise the rents of any affected tenant except by an amount established by ordinance that does not exceed the limit imposed by ORS 90.493.

(5) Cities, counties and state agencies may impose temporary rent controls when a natural or man-made disaster that materially eliminates a significant portion of the rental housing supply occurs, but must remove the controls when the rental housing supply is restored to substantially normal levels.

(6) As used in this section, “dwelling unit” and “rent” have the meaning given those terms in ORS 90.100.

(6) A city with a population of 200,000 or fewer may adopt an ordinance or resolution under section 2 of this 2021 Act that controls rent amounts and increases.

(7) This section is applicable throughout this state [and in all cities and counties therein]. The electors or the governing body of a city or county shall not enact, and the governing body shall not enforce, any ordinance, resolution or other regulation that is inconsistent with this section.

SECTION 5. This 2021 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect on its passage.