

House Bill 2733

Sponsored by Representative VALDERRAMA, Senator CAMPOS (Pre-session 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**.

Increases amount residential landlord owes tenant for landlord-cause termination of tenancy.
Limits annual rent increases.
Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to residential tenancies; creating new provisions; amending ORS 90.323, 90.324, 90.427,
3 90.600 and 90.643; and declaring an emergency.

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

5 **SECTION 1.** ORS 90.427 is amended to read:

6 90.427. (1) As used in this section:

7 (a) "First year of occupancy" includes all periods in which any of the tenants has resided in the
8 dwelling unit for one year or less.

9 (b) "Immediate family" means:

10 (A) An adult person related by blood, adoption, marriage or domestic partnership, as defined in
11 ORS 106.310, or as defined or described in similar law in another jurisdiction;

12 (B) An unmarried parent of a joint child;

13 (C) A child, grandchild, foster child, ward or guardian; or

14 (D) A child, grandchild, foster child, ward or guardian of any person listed in subparagraph (A)
15 or (B) of this paragraph.

16 (2) If a tenancy is a week-to-week tenancy, the landlord or the tenant may terminate the tenancy
17 by a written notice given to the other at least 10 days before the termination date specified in the
18 notice.

19 (3) If a tenancy is a month-to-month tenancy:

20 (a) At any time during the tenancy, the tenant may terminate the tenancy by giving the landlord
21 notice in writing not less than 30 days prior to the date designated in the notice for the termination
22 of the tenancy.

23 (b) At any time during the first year of occupancy, the landlord may terminate the tenancy by
24 giving the tenant notice in writing not less than 30 days prior to the date designated in the notice
25 for the termination of the tenancy.

26 (c) Except as provided in subsection (8) of this section, at any time after the first year of occu-
27 pancy, the landlord may terminate the tenancy only:

28 (A) For a tenant cause and with notice in writing as specified in ORS 86.782 (6)(c), 90.380 (5),
29 90.392, 90.394, 90.396, 90.398, 90.405, 90.440 or 90.445; or

30 (B) For a qualifying landlord reason for termination and with notice in writing as described in
31 subsections (5) and (6) of this section.

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 (4) If the tenancy is a fixed term tenancy:

2 (a) The landlord may terminate the tenancy during the fixed term only for cause and with notice
3 as described in ORS 86.782 (6)(c), 90.380 (5), 90.392, 90.394, 90.396, 90.398, 90.405, 90.440 or 90.445.

4 (b) If the specified ending date for the fixed term falls within the first year of occupancy, the
5 landlord may terminate the tenancy without cause by giving the tenant notice in writing not less
6 than 30 days prior to the specified ending date for the fixed term, or 30 days prior to the date des-
7 ignated in the notice for the termination of the tenancy, whichever is later.

8 (c) Except as provided by subsection (8) of this section, if the specified ending date for the fixed
9 term falls after the first year of occupancy, the fixed term tenancy becomes a month-to-month
10 tenancy upon the expiration of the fixed term, unless:

11 (A) The landlord and tenant agree to a new fixed term tenancy;

12 (B) The tenant gives notice in writing not less than 30 days prior to the specified ending date
13 for the fixed term or the date designated in the notice for the termination of the tenancy, whichever
14 is later; or

15 (C) The landlord has a qualifying reason for termination and gives notice as specified in sub-
16 sections (5) to (7) of this section.

17 (5) The landlord may terminate a month-to-month tenancy under subsection (3)(c)(B) of this sec-
18 tion at any time, or may terminate a fixed term tenancy upon the expiration of the fixed term under
19 subsection (4)(c) of this section, by giving the tenant notice in writing not less than 90 days prior
20 to the date designated in the notice for the termination of the month-to-month tenancy or the spec-
21 ified ending date for the fixed term, whichever is later, if:

22 (a) The landlord intends to demolish the dwelling unit or convert the dwelling unit to a use
23 other than residential use within a reasonable time;

24 (b) The landlord intends to undertake repairs or renovations to the dwelling unit within a rea-
25 sonable time and:

26 (A) The premises is unsafe or unfit for occupancy; or

27 (B) The dwelling unit will be unsafe or unfit for occupancy during the repairs or renovations;

28 (c) The landlord intends for the landlord or a member of the landlord's immediate family to oc-
29 cupy the dwelling unit as a primary residence and the landlord does not own a comparable unit in
30 the same building that is available for occupancy at the same time that the tenant receives notice
31 to terminate the tenancy; or

32 (d) The landlord has:

33 (A) Accepted an offer to purchase the dwelling unit separately from any other dwelling unit
34 from a person who intends in good faith to occupy the dwelling unit as the person's primary resi-
35 dence; and

36 (B) Provided the notice and written evidence of the offer to purchase the dwelling unit, to the
37 tenant not more than 120 days after accepting the offer to purchase.

38 (6)(a) A landlord that terminates a tenancy under subsection (5) of this section shall:

39 (A) Specify in the termination notice the reason for the termination and supporting facts;

40 (B) State that the rental agreement will terminate upon a designated date not less than 90 days
41 after delivery of the notice; and

42 (C) At the time the landlord delivers the tenant the notice to terminate the tenancy, pay the
43 tenant an amount equal to [*one month's*] **three months'** periodic rent.

44 (b) The requirements of paragraph (a)(C) of this subsection do not apply to a landlord who has
45 an ownership interest in four or fewer residential dwelling units subject to this chapter.

1 (7) A fixed term tenancy does not become a month-to-month tenancy upon the expiration of the
 2 fixed term if the landlord gives the tenant notice in writing not less than 90 days prior to the
 3 specified ending date for the fixed term or 90 days prior to the date designated in the notice for the
 4 termination of the tenancy, whichever is later, and:

5 (a) The tenant has committed three or more violations of the rental agreement within the pre-
 6 ceding 12-month period and the landlord has given the tenant a written warning notice at the time
 7 of each violation;

8 (b) Each written warning notice:

9 (A) Specifies the violation;

10 (B) States that the landlord may choose to terminate the tenancy at the end of the fixed term
 11 if there are three violations within a 12-month period preceding the end of the fixed term; and

12 (C) States that correcting the third or subsequent violation is not a defense to termination under
 13 this subsection; and

14 (c) The 90-day notice of termination:

15 (A) States that the rental agreement will terminate upon the specified ending date for the fixed
 16 term or upon a designated date not less than 90 days after delivery of the notice, whichever is later;

17 (B) Specifies the reason for the termination and supporting facts; and

18 (C) Is delivered to the tenant concurrent with or after the third or subsequent written warning
 19 notice.

20 (8) If the tenancy is for occupancy in a dwelling unit that is located in the same building or on
 21 the same property as the landlord's primary residence, and the building or the property contains not
 22 more than two dwelling units, the landlord may terminate the tenancy at any time after the first
 23 year of occupancy:

24 (a) For a month-to-month tenancy:

25 (A) For cause and with notice as described in ORS 86.782 (6)(c), 90.380 (5), 90.392, 90.394, 90.396,
 26 90.398, 90.405, 90.440 or 90.445;

27 (B) Without cause by giving the tenant notice in writing not less than 60 days prior to the date
 28 designated in the notice for the termination of the tenancy; or

29 (C) Without cause by giving the tenant notice in writing not less than 30 days prior to the date
 30 designated in the notice for the termination of the tenancy if:

31 (i) The dwelling unit is purchased separately from any other dwelling unit;

32 (ii) The landlord has accepted an offer to purchase the dwelling unit from a person who intends
 33 in good faith to occupy the dwelling unit as the person's primary residence; and

34 (iii) The landlord has provided the notice, and written evidence of the offer to purchase the
 35 dwelling unit, to the tenant not more than 120 days after accepting the offer to purchase.

36 (b) For a fixed term tenancy:

37 (A) During the term of the tenancy, only for cause and with notice as described in ORS 86.782
 38 (6)(c), 90.380 (5), 90.392, 90.394, 90.396, 90.398, 90.405, 90.440 or 90.445; or

39 (B) At any time during the fixed term, without cause by giving the tenant notice in writing not
 40 less than 30 days prior to the specified ending date for the fixed term, or 30 days prior to the date
 41 designated in the notice for the termination of the tenancy, whichever is later.

42 (9)(a) If a landlord terminates a tenancy in violation of subsection (3)(c)(B), (4)(c), (5), (6) or (7)
 43 of this section:

44 (A) The landlord shall be liable to the tenant in an amount equal to three months' rent in ad-
 45 dition to actual damages sustained by the tenant as a result of the tenancy termination; and

1 (B) The tenant has a defense to an action for possession by the landlord.

2 (b) A tenant is entitled to recovery under paragraph (a) of this subsection if the tenant com-
 3 mences an action asserting the claim within one year after the tenant knew or should have known
 4 that the landlord terminated the tenancy in violation of this section.

5 (10) The tenancy shall terminate on the date designated and without regard to the expiration
 6 of the period for which, by the terms of the tenancy, rents are to be paid. Unless otherwise agreed,
 7 rent is uniformly apportionable from day to day.

8 (11) If the tenant remains in possession without the landlord’s consent after expiration of the
 9 term of the rental agreement or its termination, the landlord may bring an action for possession. In
 10 addition, the landlord may recover from the tenant any actual damages resulting from the tenant
 11 holding over, including the value of any rent accruing from the expiration or termination of the
 12 rental agreement until the landlord knows or should know that the tenant has relinquished pos-
 13 session to the landlord. If the landlord consents to the tenant’s continued occupancy, ORS 90.220 (7)
 14 applies.

15 (12)(a) A notice given to terminate a tenancy under subsection (2), (3)(a) or (b), (8)(a)(B) or (C)
 16 or (8)(b) of this section need not state a reason for the termination.

17 (b) Notwithstanding paragraph (a) of this subsection, a landlord or tenant may include in a no-
 18 tice of termination given under subsection (2), (3)(a) or (b), (8)(a)(B) or (C) or (8)(b) of this section
 19 an explanation of the reason for the termination without having to prove the reason. An explanation
 20 does not give the person receiving the notice of termination a right to cure the reason if the notice
 21 states that:

22 (A) The notice is given without stated cause;

23 (B) The recipient of the notice does not have a right to cure the reason for the termination; and

24 (C) The person giving the notice need not prove the reason for the termination in a court action.

25 (13) Subsections (2) to (9) of this section do not apply to a month-to-month tenancy subject to
 26 ORS 90.429 or other tenancy created by a rental agreement subject to ORS 90.505 to 90.850.

27 **SECTION 2. The amendments to ORS 90.427 by section 1 of this 2023 Act apply to ter-**
 28 **mination notices given on or after the effective date of this 2023 Act.**

29 **SECTION 3.** ORS 90.324 is amended to read:

30 90.324. (1) No later than September 30th of each year, the Oregon Department of Administrative
 31 Services shall calculate the maximum annual rent increase percentage allowed by ORS 90.323 [(3)]
 32 (2) or 90.600 [(2)] (1) for the following calendar year as [seven] **the lesser of:**

33 **(a) Eight percent; or**

34 **(b) Three percent plus the September annual 12-month average change in the Consumer Price**
 35 **Index for All Urban Consumers, West Region (All Items), as most recently published by the Bureau**
 36 **of Labor Statistics of the United States Department of Labor.**

37 (2) No later than September 30th of each year, the Oregon Department of [Administration] **Ad-**
 38 **ministrative** Services shall publish the maximum annual rent increase percentage calculated pur-
 39 suant to subsection (1) of this section, along with the provisions of ORS 90.323 and 90.600, in a press
 40 release.

41 (3) The department shall maintain publicly available information on its website about the maxi-
 42 mum annual rent increase percentage for the previous calendar year and for the current calendar
 43 year and, on or after September 30th of each year, for the following calendar year.

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

45 90.323. (1) If a tenancy is a week-to-week tenancy, the landlord may not increase the rent with-

1 out giving the tenant written notice at least seven days prior to the effective date of the rent in-
 2 crease.

3 [(2) For purposes of this section, the term “consumer price index” refers to the annual 12-month
 4 average change in the Consumer Price Index for All Urban Consumers, West Region (All Items), as
 5 published by the Bureau of Labor Statistics of the United States Department of Labor in September
 6 of the prior calendar year.]

7 [(3)] (2) During any tenancy other than week-to-week, the landlord may not increase the rent:

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

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

11 (c) **More than once in any 12-month period.**

12 [(c)] (d) [During any 12-month period, in an amount greater than seven percent plus the consumer
 13 price index above the existing rent] Except as permitted under subsection [(7)] (5) of this section[.],
 14 **by a percentage greater than the maximum calculated under ORS 90.324 (1).**

15 [(4)] (3) The notices required under this section must specify:

16 (a) The amount of the rent increase;

17 (b) The amount of the new rent;

18 (c) Facts supporting the exemption authorized by subsection [(7)] (5) of this section, if the in-
 19 crease is above the amount allowed in subsection [(3)(c)] (2)(d) of this section; and

20 (d) The date on which the increase becomes effective.

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

22 [(6)] (4) A landlord terminating a tenancy with a 30-day notice without cause as authorized by
 23 ORS 90.427 (3) or (4) during the first year of a tenancy may not [reset] **charge** rent for the next
 24 tenancy in an amount greater than [seven percent plus the consumer price index above the previous
 25 rent] **the maximum amount the landlord could have charged the terminated tenancy under**
 26 **this section.**

27 [(7)] (5) A landlord is not subject to subsection [(3)(c) or (6)] (2)(d) or (4) of this section if:

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

30 (b) The dwelling unit is regulated or certified as affordable housing by a federal, state or local
 31 government and the change in rent:

32 (A) Does not increase the tenant’s portion of the rent; or

33 (B) Is required by program eligibility requirements or by a change in the tenant’s income.

34 [(8)] (6) A landlord that increases rent in violation of subsection [(3)(c) or (6)] (2)(d) or (4) of
 35 this section is liable to the tenant in an amount equal to three months’ rent plus actual damages
 36 suffered by the tenant.

37 (7) **This section does not apply to tenancies governed by ORS 90.505 to 90.850.**

38 **SECTION 5.** ORS 90.600 is amended to read:

39 90.600. [(1) For purposes of this section, the term “consumer price index” refers to the annual
 40 12-month average change in the Consumer Price Index for All Urban Consumers, West Region (All
 41 Items), as published by the Bureau of Labor Statistics of the United States Department of Labor in
 42 September of the prior calendar year.]

43 [(2)] (1) If a rental agreement is a month-to-month tenancy to which ORS 90.505 to 90.850 apply,
 44 the landlord may not increase the rent:

45 (a) Without giving each affected tenant notice in writing at least 90 days prior to the effective

1 date of the rent increase; *[and]*

2 *[(b) During any 12-month period, in an amount greater than seven percent plus the consumer price*
 3 *index above the existing rent]*

4 **(b) More than once in any 12-month period; or**

5 **(c) By a percentage greater than the maximum calculated under ORS 90.324 (1).**

6 *[(3)]* **(2)** The written notice required by subsection *[(2)(a)]* **(1)(a)** of this section must specify:

7 (a) The amount of the rent increase;

8 (b) The amount of the new rent;

9 (c) Facts supporting the exemption authorized by subsection *[(4)]* **(3)** of this section, if the in-
 10 crease is above the amount allowed in subsection *[(2)(b)]* **(1)(c)** of this section; and

11 (d) The date on which the increase becomes effective.

12 *[(4)]* **(3)** A landlord is not subject to subsection *[(2)(b)]* **(1)(c)** of this section if:

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

15 (b) The dwelling unit is regulated or certified as affordable housing by a federal, state or local
 16 government and the change in rent:

17 (A) Does not increase the tenant's portion of the rent; or

18 (B) Is required by program eligibility requirements or by a change in the tenant's income.

19 *[(5)]* **(4)** A landlord that increases rent in violation of subsection *[(2)(b)]* **(1)(c)** of this section
 20 shall be liable to the tenant in an amount equal to three months' rent plus actual damages suffered
 21 by the tenant.

22 *[(6)]* **(5)** This section does not create a right to increase rent that does not otherwise exist.

23 *[(7)]* **(6)** This section does not require a landlord to compromise, justify or reduce a rent increase
 24 that the landlord otherwise is entitled to impose.

25 *[(8)]* **(7)** Neither ORS 90.510 (1), requiring a landlord to provide a statement of policy, nor ORS
 26 90.510 (4), requiring a landlord to provide a written rental agreement, creates a basis for tenant
 27 challenge of a rent increase, judicially or otherwise.

28 *[(9)(a)]* **(8)(a)** The tenants who reside in a facility may elect one committee of seven or fewer
 29 members in a facility-wide election to represent the tenants. One tenant of record for each rented
 30 space may vote in the election. Upon written request from the tenants' committee, the landlord or
 31 a representative of the landlord shall meet with the committee within 10 to 30 days of the request
 32 to discuss the tenants' nonrent concerns regarding the facility. Unless the parties agree otherwise,
 33 upon a request from the tenants' committee, a landlord or representative of the landlord shall meet
 34 with the tenants' committee at least once, but not more than twice, each calendar year. The meeting
 35 shall be held on the premises if the facility has suitable meeting space for that purpose, or at a lo-
 36 cation reasonably convenient to the tenants. After the meeting, the tenants' committee shall send
 37 a written summary of the issues and concerns addressed at the meeting to the landlord. The landlord
 38 or the landlord's representative shall make a good faith response in writing to the committee's
 39 summary within 60 days.

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

43 **SECTION 6. The amendments to ORS 90.323, 90.324 and 90.600 by sections 3 to 5 of this**
 44 **2023 Act apply to rent increase notices given on or after the effective date of this 2023 Act.**

45 **SECTION 7.** ORS 90.643 is amended to read:

1 90.643. (1) A manufactured dwelling park may be converted to a planned community subdivision
 2 of manufactured dwellings pursuant to ORS 92.830 to 92.845. When a manufactured dwelling park is
 3 converted pursuant to ORS 92.830 to 92.845:

4 (a) Conversion does not require closure of the park pursuant to ORS 90.645 or termination of
 5 any tenancy on any space in the park or any lot in the planned community subdivision of manufac-
 6 tured dwellings.

7 (b) After approval of the tentative plan under ORS 92.830 to 92.845, the manufactured dwelling
 8 park ceases to exist, notwithstanding the possibility that four or more lots in the planned community
 9 subdivision may be available for rent.

10 (2) If a park is converted to a subdivision under ORS 92.830 to 92.845, and the landlord closes
 11 the park as a result of the conversion, ORS 90.645 applies to the closure.

12 (3) If a park is converted to a subdivision under ORS 92.830 to 92.845, but the landlord does not
 13 close the park as a result of the conversion:

14 (a) A tenant who does not buy the space occupied by the tenant's manufactured dwelling may
 15 terminate the tenancy and move. If the tenant terminates the tenancy after receiving the notice
 16 required by ORS 92.839 and before the expiration of the 60-day period described in ORS 92.840 (2),
 17 the landlord shall pay the tenant as provided in ORS 90.645 (1).

18 (b) If the landlord and the tenant continue the tenancy on the lot created in the planned com-
 19 munity subdivision, the tenancy is governed by ORS 90.100 to 90.465, except that the following pro-
 20 visions apply and, in the case of a conflict, control:

21 (A) ORS 90.510 (4) to (7) applies to a rental agreement and rules and regulations concerning the
 22 use and occupancy of the subdivision lot until the declarant turns over administrative control of the
 23 planned community subdivision of manufactured dwellings to a homeowners association pursuant to
 24 ORS 94.600 and 94.604 to 94.621. The landlord shall provide each tenant with a copy of the bylaws,
 25 rules and regulations of the homeowners association at least 60 days before the turnover meeting
 26 described in ORS 94.609.

27 (B) ORS 90.530 applies regarding pets.

28 (C) ORS 90.545 applies regarding the extension of a fixed term tenancy.

29 (D) ORS 90.600 [(2) to (8)] **(1) to (7)** applies to an increase in rent.

30 (E) ORS 90.620 applies to a termination by a tenant.

31 (F) ORS 90.630 applies to a termination by a landlord for cause. However, the sale of a lot in
 32 the planned community subdivision occupied by a tenant to someone other than the tenant is a good
 33 cause for termination under ORS 90.630 that the tenant cannot cure or correct and for which the
 34 landlord must give written notice of termination that states the cause of termination at least 180
 35 days before termination.

36 (G) ORS 90.632 applies to a termination of tenancy by a landlord due to the physical condition
 37 of the manufactured dwelling.

38 (H) ORS 90.634 applies to a lien for manufactured dwelling unit rent.

39 (I) ORS 90.680 applies to the sale of a manufactured dwelling occupying a lot in the planned
 40 community subdivision. If the intention of the buyer of the manufactured dwelling is to leave the
 41 dwelling on the lot, the landlord may reject the buyer as a tenant if the buyer does not buy the lot
 42 also.

43 (J) ORS 90.710 applies to a cause of action for a violation of ORS 90.510 (4) to (7), 90.630, 90.680
 44 or 90.765.

45 (K) ORS 90.725 applies to landlord access to a rented lot in a planned community subdivision.

1 (L) ORS 90.730 (2), (3), (4) and (7) apply to the duty of a landlord to maintain a rented lot in a
2 habitable condition.

3 (M) ORS 90.750 applies to the right of a tenant to assemble or canvass.

4 (N) ORS 90.755 applies to the right of a tenant to speak on political issues and to post political
5 signs.

6 (O) ORS 90.765 applies to retaliatory conduct by a landlord.

7 (P) ORS 90.771 applies to the confidentiality of information provided to the Housing and Com-
8 munity Services Department about disputes.

9 **SECTION 8. This 2023 Act being necessary for the immediate preservation of the public**
10 **peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect**
11 **on its passage.**

12
