

B-Engrossed House Bill 2006

Ordered by the House June 19
Including House Amendments dated May 3 and June 19

Sponsored by Representative KOTEK

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.

Appropriates moneys to Housing and Community Services Department for grants to support services[,] **and** programs [*and legal aid*] for families seeking or needing housing that have low or very low incomes.

[*Appropriates moneys to*] **Authorizes** Department of Justice to assist victims of domestic violence and sexual assault with housing needs. **Appropriates moneys to department for those purposes. Sunsets authorization January 2, 2022.**

Limits landlords who must pay one month's rent upon landlord-based-cause termination to landlords owning more than four residential rental units.

Declares emergency, effective July 1, 2019.

A BILL FOR AN ACT

1
2 Relating to housing; creating new provisions; amending ORS 90.427 and 456.625; and declaring an
3 emergency.

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

5 **SECTION 1.** ORS 456.625 is amended to read:

6 456.625. The Housing and Community Services Department may:

7 (1) Undertake and carry out studies and analyses of housing needs within the state and ways
8 of meeting such needs and make the results of such studies and analyses available to the public,
9 qualified housing sponsors and the private housing sector.

10 (2) Prepare proposals on measures it considers necessary to address administration, housing
11 programs or community services programs.

12 (3) With the approval of the Oregon Housing Stability Council, assess fees, charges or interest
13 in connection with housing programs.

14 (4) Encourage community organizations to assist in initiating housing projects for persons and
15 families of lower income.

16 (5) Encourage the salvage of usable housing scheduled for demolition or dislocation because of
17 highway, school, urban renewal or other public projects by seeking authority for the public agencies
18 involved in such programs to use the funds provided for the demolition or relocation of such
19 buildings to enable qualified housing sponsors to relocate and rehabilitate such buildings for use by
20 persons and families of lower income.

21 (6) Encourage research and demonstration projects to develop techniques and methods for in-
22 creasing the supply of adequate, decent, safe and sanitary housing for persons and families of lower
23 income.

24 (7) Make or participate in the making of residential loans to qualified individuals or housing

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 sponsors to provide for the acquisition, construction, improvement, rehabilitation or permanent fi-
2 nancing of residential housing or housing development; undertake commitments to make residential
3 loans; purchase and sell residential loans at public or private sale; modify or alter such mortgages
4 or loans; foreclose on any such mortgage or security interest or commence any action to protect
5 or enforce any right conferred upon the department by any law, mortgage, security, agreement,
6 contract or other agreement and to bid for and purchase property that is subject to such mortgage
7 or security interest at any foreclosure or other sale; acquire or take possession of any such property
8 and complete, administer, conserve, improve and otherwise use the property to accomplish the
9 department's purposes, pay the principal and interest on any obligations incurred in connection with
10 such property and dispose of such property in such manner as the department determines necessary
11 to protect its interests under ORS 456.515 to 456.725 and ORS chapter 458.

12 (8) Unless specifically exempted by the State Treasurer, deposit with the State Treasurer any
13 funds held in reserve or sinking funds under ORS 456.515 to 456.725 and ORS chapter 458 and any
14 other moneys not required for immediate use or disbursement by the department, subject to the
15 provisions of any agreement with holders of bonds entered into prior to October 15, 1983.

16 (9) Advise and assist in the creation of any nonprofit housing corporation, consumer housing
17 cooperative or limited dividend housing sponsor and give approval of the articles of incorporation
18 and bylaws of any such organization in carrying out ORS 456.515 to 456.725.

19 (10) Cooperate with and exchange services, personnel and information with any federal, state
20 or local governmental agency.

21 (11) With the approval of the State Treasurer, contract for the services of and consultation with
22 trustees, investment and financial advisors, paying agents, remarketing agents and other profes-
23 sional persons or organizations in carrying out ORS 456.515 to 456.725 and ORS chapter 458.

24 (12) Contract for, act on or perform any other duties that the department considers necessary
25 or appropriate to carry out housing programs and community services programs, including but not
26 limited to contracting to provide compliance monitoring or other administrative functions with re-
27 spect to housing developments and affordable housing, whether or not the housing developments or
28 affordable housing receives department funding and whether or not the housing developments or
29 affordable housing is located within this state. For purposes of this subsection, "affordable
30 housing" has the meaning given that term in ORS 456.055.

31 (13) Purchase, service, sell and make commitments to purchase, service and sell residential loans
32 to the extent permitted by ORS 456.635 and 456.640 (1) to (3).

33 (14) Initiate or assist appropriate state agencies, governmental bodies and public or private
34 housing sponsors in the development, construction, acquisition, ownership, leasing, rehabilitation or
35 management of housing to carry out the purposes of ORS 456.515 to 456.725 and ORS chapter 458
36 where such housing is not otherwise affordable or available in the area.

37 (15) Execute and record written instruments that contain terms, including but not limited to
38 restrictive covenants or equitable servitudes, pertaining to the use and enjoyment of housing
39 projects. Notwithstanding any other provision of law, the executed instruments shall constitute and
40 create restrictive covenants affecting and running with the property according to the terms of the
41 instruments when recorded in the records of the county where the property is located. County clerks
42 shall accept the instruments for recording when presented by or on behalf of the department.

43 (16) Subject to the provisions of any agreement then existing with bondholders, make available
44 funds by contract, grant, loan or otherwise, including loan guarantees, insurance or other financial
45 leveraging techniques, from moneys made available by the department to carry out the purposes of

1 ORS 456.515 to 456.725, if such moneys are not needed for the operations of the department or oth-
2 erwise determined by the Director of the Housing and Community Services Department to be a
3 necessary or prudent reserve.

4 **(17) With the approval of the Oregon Housing Stability Council, award grants to private**
5 **or public entities to support or develop programs that build on successful strategies that help**
6 **individuals obtain and retain housing, including through:**

7 **(a) Tenant education services for low-income tenants, including Rent Guarantee Program**
8 **training under ORS 456.608 (3);**

9 **(b) Fair housing training for tenants and landlords;**

10 **(c) Technological innovations that help low-income individuals find and access available**
11 **rental housing; and**

12 **(d) Other education, services or resources for low-income tenants and prospective ten-**
13 **ants and for landlords who serve low-income tenants.**

14 **SECTION 2. Section 3 of this 2019 Act is added to and made a part of ORS 147.450 to**
15 **147.471.**

16 **SECTION 3. The Department of Justice may assist victims of domestic violence and**
17 **sexual assault with housing needs, including through homelessness prevention, housing**
18 **search assistance, tenant education and funding for rent, utilities, moving costs, deposits,**
19 **application fees or safe emergency housing.**

20 **SECTION 4. Section 3 of this 2019 Act is repealed January 2, 2022.**

21 **SECTION 5. ORS 90.427, as amended by section 1, chapter 1, Oregon Laws 2019 (Enrolled**
22 **Senate Bill 608), is amended to read:**

23 90.427. (1) As used in this section:

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

26 (b) "Immediate family" means:

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

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

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

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

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

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

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

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

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

45 (A) For a tenant cause and with notice in writing as specified in ORS 86.782 (6)(c), 90.380 (5),

1 90.392, 90.394, 90.396, 90.398, 90.405, 90.440 or 90.445; or

2 (B) For a qualifying landlord reason for termination and with notice in writing as described in
3 subsections (5) [to (7)] **and (6)** of this section.

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

5 (a) The landlord may terminate the tenancy during the fixed term only for cause and with notice
6 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.

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

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

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

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

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

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

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

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

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

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

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

35 (d) The landlord has:

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

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

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

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

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

45 (C) At the time the landlord delivers the tenant the notice to terminate the tenancy, pay the

1 tenant an amount equal to one month's periodic rent.

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

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

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

11 (b) Each written warning notice:

12 (A) Specifies the violation;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

39 (b) For a fixed term tenancy:

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

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

45 (9)(a) If a landlord terminates a tenancy in violation of subsection (3)(c)(B), (4)(c), (5), (6) or (7)

1 of this section:

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

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

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

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

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

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

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

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

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

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

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

30 **SECTION 6. In addition to and not in lieu of any other appropriation, there is appropri-**
31 **ated to the Housing and Community Services Department, for the biennium beginning July**
32 **1, 2019, out of the General Fund, the amount of \$3,000,000, to administer and award grants**
33 **under ORS 456.625 (17).**

34 **SECTION 7. In addition to and not in lieu of any other appropriation, there is appropri-**
35 **ated to the Department of Justice, for the biennium beginning July 1, 2019, out of the Gen-**
36 **eral Fund, the amount of \$3,000,000, to assist victims of domestic violence and sexual assault**
37 **with housing needs under section 3 of this 2019 Act.**

38 **SECTION 8. This 2019 Act being necessary for the immediate preservation of the public**
39 **peace, health and safety, an emergency is declared to exist, and this 2019 Act takes effect**
40 **July 1, 2019.**