

HB 3306 STAFF MEASURE SUMMARY

House Committee On Housing

Prepared By: Claire Adamsick, LPRO Analyst

Meeting Dates: 4/1, 4/8

WHAT THE MEASURE DOES:

Allows, for residential tenancies, landlord and tenant to agree to recurring charge in addition to rent and in lieu of security deposit. Clarifies terms of use of recurring charge. Establishes requirements of agreement, including: tenant option to pay security deposit instead of charge; that charge does not affect tenant obligations under rental agreement; and that landlord must return security deposit to tenant before collecting a charge as provided by this Act. Clarifies that tenant nonpayment of charge is not grounds for termination of a rental agreement for nonpayment, but is grounds for termination of a rental agreement for cause.

ISSUES DISCUSSED:

- Alternative option for landlords to insure apartments for damages and charge a monthly “deposit waiver fee” instead of charging tenant up-front security deposit
- Standard security deposit fee can be cost-burdensome for tenants in affording rental housing that meets their needs
- Concerns regarding tenant protections when a landlord levies fees for damages
- Desire to ensure existing statutory landlord-tenant protections are upheld by this measure
- Applicability to single- and multifamily dwellings as well as government-subsidized housing

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Oregon residential landlord and tenant law describes the types of payments a residential landlord may require or accept from tenants. In 2015, in response to in-depth work by the Oregon Landlord-Tenant Coalition, the Legislative Assembly enacted SB 390 to clarify the process for rental fee assessments and applications.

House Bill 3306 allows a residential landlord and tenant to agree that the tenant may pay a recurring charge in lieu of a security deposit, subject to certain requirements and terms of use.