

House Bill 2968

Sponsored by Representative NOSSE

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**.

Prohibits termination of commercial tenancy for nonpayment if outstanding nonpayment balance does not exceed nonpayment balance at end of grace period amortized over remaining term of rental agreement.

Allows tenants to extend tenancy by up to seven months.

Sunsets January 2, 2023.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1 Relating to terminations of commercial tenancies; and declaring an emergency.

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

3 **SECTION 1. (1) As used in this section:**

4 (a) **"Amortized nonpayment balance" means the number of full months remaining in the**
5 **rental agreement divided by the number of full months that were remaining in the term of**
6 **the rental agreement on March 31, 2021, multiplied by the nonpayment balance on March 31,**
7 **2021.**

8 (b) **"Landlord" means the owner, lessor or sublessor of a rental unit or the building or**
9 **premises of which the rental unit is a part, or a person who is authorized by the owner,**
10 **lessor or sublessor to manage the premises or to enter into a rental agreement.**

11 (c) **"Nonpayment" includes the nonpayment of rent, late charges, utility charges or any**
12 **other service charge or fee, as described in the rental agreement or ORS 91.090, 91.210 or**
13 **91.220, during the emergency period, as defined in section 5, chapter 13, Oregon Laws 2020**
14 **(first special session).**

15 (d) **"Nonpayment balance" means the net total amount of all items of nonpayment by a**
16 **tenant.**

17 (e) **"Rental unit" means a structure or part of a structure for use as a commercial space**
18 **by a tenant.**

19 (f) **"Tenant" means an individual or organization entitled under a rental agreement to**
20 **occupy a rental unit to the exclusion of others, but not including a residential tenant under**
21 **ORS chapter 90.**

22 (g) **"Term of the rental agreement" includes any renewal period available at the election**
23 **of the tenant or under subsection (3) of this section.**

24 (2) **Notwithstanding ORS chapter 91 and ORS 105.105 to 105.168, if the nonpayment bal-**
25 **ance is equal to or less than the amortized nonpayment balance, a landlord may not, and**
26 **may not threaten to:**

27 (a) **Terminate or deliver a notice terminating a rental agreement for a rental unit based**
28 **on a tenant's nonpayment;**
29

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) Initiate or continue an action under ORS 105.110 to take possession of a rental unit**
2 **based on a termination notice for the tenant's nonpayment; or**

3 **(c) Take any action that would interfere with a tenant's possession or use of a rental unit**
4 **based on a tenant's nonpayment.**

5 **(3) Notwithstanding any term of the lease, a tenant may, by a request in writing delivered**
6 **to a landlord on or before a date 60 days following the effective date of this 2021 Act, extend**
7 **the date of the expiration of the tenancy, as described in ORS 91.080, until the earlier of:**

8 **(a) A date seven months after the date of expiration;**

9 **(b) January 1, 2023; or**

10 **(c) The date specified by the tenant.**

11 **(4) If a landlord violates this section, a tenant may obtain injunctive relief to recover**
12 **possession or address any other violation of this section and may recover from the landlord**
13 **an amount up to three months' periodic rent plus any actual damages.**

14 **SECTION 2.** **Section 1 of this 2021 Act is repealed on January 2, 2023.**

15 **SECTION 3.** **This 2021 Act being necessary for the immediate preservation of the public**
16 **peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect**
17 **on its passage.**

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