HB 2427-2 (LC 1210) 3/23/21 (STN/ps)

Requested by Representative NATHANSON

## PROPOSED AMENDMENTS TO HOUSE BILL 2427

1 On page 1 of the printed bill, delete lines 5 through 29 and delete pages 2 2 through 4 and insert:

<u>SECTION 1.</u> Sections 2 to 5 of this 2021 Act are added to and made
a part of ORS chapter 90.

5 "SECTION 2. As used in sections 2 to 5 of this 2021 Act:

6 "(1) 'Tenant screening report' means a tenant screening report 7 prepared by a tenant screening company approved by the Housing and 8 Community Services Department under section 3 (3) of this 2021 Act 9 for use in the uniform rental application system.

"(2) 'Uniform rental application' means a standardized application
 for a rental agreement adopted by the department for use in the uni form rental application system established under section 3 of this 2021
 Act.

14 "<u>SECTION 3.</u> (1) In consultation with the advisory committee 15 formed under section 5 of this 2021 Act, the Housing and Community 16 Services Department shall develop and maintain a uniform rental ap-17 plication system.

"(2) The uniform rental application system developed under this
 section must:

"(a) Utilize a uniform rental application for prospective tenants to
 complete online;

"(b) Store uniform rental applications submitted by prospective
 tenants;

"(c) Allow prospective tenants to update information contained in
a stored uniform rental application;

5 "(d) Allow approved screening companies to upload a tenant 6 screening report for use with a uniform rental application for a period 7 of no more than 30 days;

8 "(e) Require prospective tenants to certify that information con9 tained in a uniform rental application is accurate; and

"(f) Allow a stored uniform rental application or tenant screening
 report to be:

"(A) Accessed by a landlord authorized by a prospective tenant to
 conduct tenant screening; and

14 "(B) Printed by a prospective tenant.

"(3)(a) The department shall establish and maintain a list of ap proved tenant screening companies and establish standards for the
 information that must be included in a tenant screening report.

18 "(b) A prospective tenant may obtain, at the prospective tenant's 19 own expense, a tenant screening report from a tenant screening com-20 pany approved under paragraph (a) of this subsection for use in the 21 uniform rental application system.

"(4) The department is not liable for damages arising from inaccurate information certified by a tenant to be true under subsection
(2)(e) of this section.

"(5) Except as provided in subsection (2)(f) of this section, information provided by a tenant to the department or the operator of the uniform tenant application system in a uniform rental application or tenant screening report is confidential and exempt from disclosure under ORS 192.311 to 192.478.

30 "SECTION 4. (1) Notwithstanding the process a landlord usually

follows for screening applicants, a landlord must accept a uniform
rental application from a prospective tenant if:

"(a) The prospective tenant provides the landlord with a paper copy
of the uniform rental application or provides the landlord with instructions for accessing the application online; and

6 "(b) The prospective tenant provides the landlord with instructions 7 for accessing the prospective tenant's tenant screening report online.

8 "(2) A landlord may not require a prospective tenant who uses a 9 uniform rental application and online tenant screening report to sub-10 mit additional information or require the prospective tenant to pay a 11 charge for processing the prospective tenant's application other than 12 the charge described in ORS 90.295 (9).

"(3) A landlord may not adopt screening or admission criteria that
 prohibits the use of:

"(a) A uniform rental application or an online tenant screening re port; or

17 "(b) A paper copy of a uniform rental application.

18 "<u>SECTION 5.</u> (1) The Director of the Housing and Community Ser-19 vices Department shall appoint a uniform rental application system 20 advisory committee of not more than 10 members representing the 21 interests of the following groups:

22 **"(a) Tenants;** 

23 **"(b) Landlords;** 

24 "(c) Tenant screening companies; and

<sup>25</sup> "(d) Community social service organizations.

"(2) The advisory committee shall meet not less than once annually and shall advise the Housing and Community Services Department on the development and maintenance of the uniform rental application system established under section 3 of this 2021 Act. The advisory committee shall consider:

HB 2427-2 3/23/21 Proposed Amendments to HB 2427 1 "(a) Information that must be included in a uniform rental appli-2 cation and a tenant screening report; and

"(b) Accessibility, ease of use and security for tenants and landlords.

5 "SECTION 6. ORS 90.295 is amended to read:

6 "90.295. (1)(a) A landlord may require payment of an applicant screening 7 charge solely to cover the costs of obtaining information about an applicant 8 as the landlord processes the application for a rental agreement. This activ-9 ity is known as screening, and includes but is not limited to checking ref-10 erences and obtaining a consumer credit report or tenant screening report. 11 The landlord must provide the applicant with a receipt for any applicant 12 screening charge.

"(b) A landlord may only require an applicant to pay a single applicant
 screening charge within any 60-day period, regardless of the number of rental
 units owned or managed by the landlord for which the applicant has applied
 to rent.

"(2) Subject to the limitation provided in subsection (9) of this sec-17 tion, the amount of any applicant screening charge must not be greater than 18 the landlord's average actual cost of screening applicants. Actual costs may 19 include the cost of using a tenant screening company or a consumer credit 20reporting agency, and may include the reasonable value of any time spent 21by the landlord or the landlord's agents in otherwise obtaining information 22on applicants. In any case, the applicant screening charge must not be 23greater than the customary amount charged by tenant screening companies 24or consumer credit reporting agencies for a comparable level of screening. 25

"(3) A landlord may not require payment of an applicant screening charge
unless prior to accepting the payment the landlord:

28 "(a) Adopts written screening or admission criteria;

29 "(b) Gives written notice to the applicant of:

30 "(A) The amount of the applicant screening charge;

HB 2427-2 3/23/21 Proposed Amendments to HB 2427 1 "(B) The landlord's screening or admission criteria;

"(C) The process that the landlord typically will follow in screening the
applicant, including whether the landlord uses a tenant screening company,
credit reports, public records or criminal records or contacts employers,
landlords or other references; and

"(D) The applicant's rights to dispute the accuracy of any information 6 provided to the landlord by a screening company or credit reporting agency; 7 "(c) Gives actual notice to the applicant of an estimate, made to the best 8 of the landlord's ability at that time, of the approximate number of rental 9 units of the type, and in the area, sought by the applicant that are, or within 10 a reasonable future time will be, available to rent from that landlord. The 11 estimate shall include the approximate number of applications previously 12 accepted and remaining under consideration for those units. A good faith 13 error by a landlord in making an estimate under this paragraph does not 14 provide grounds for a claim under subsection (8)(b) of this section; 15

"(d) Gives written notice to the applicant of the amount of rent the landlord will charge and the deposits the landlord will require, subject to change in the rent or deposits by agreement of the landlord and the tenant before entering into a rental agreement; and

"(e) Gives written notice to the applicant whether the landlord requires tenants to obtain and maintain renter's liability insurance and, if so, the amount of insurance required.

"(4) Regardless of whether a landlord requires payment of an applicant 23screening charge, if a landlord denies an application for a rental agreement 24by an applicant and that denial is based in whole or in part on a tenant 25screening company or consumer credit reporting agency report on that ap-26plicant, the landlord shall give the applicant actual notice of that fact at the 27same time that the landlord notifies the applicant of the denial. Unless 28written notice of the name and address of the screening company or credit 29 reporting agency has previously been given, the landlord shall promptly give 30

HB 2427-2 3/23/21 Proposed Amendments to HB 2427 written notice to the applicant of the name and address of the company or
agency that provided the report upon which the denial is based.

"(5) Except as provided in subsection (4) of this section, a landlord need not disclose the results of an applicant screening or report to an applicant, with respect to information that is not required to be disclosed under the federal Fair Credit Reporting Act. A landlord may give to an applicant a copy of that applicant's consumer report, as defined in the Fair Credit Reporting Act.

9 "(6) Unless the applicant agrees otherwise in writing, a landlord may not 10 require payment of an applicant screening charge when the landlord knows 11 or should know that no rental units are available at that time or will be 12 available within a reasonable future time.

"(7) A landlord that requires an applicant screening charge must refund
 the applicant screening charge to the applicant within a reasonable time if
 the landlord:

16 "(a) Fills the vacant dwelling unit before screening the applicant; or

17 "(b) Does not screen the applicant for any reason.

"(8)(a) An applicant may not recover an applicant screening charge from
the landlord if the tenant refuses an offer from the landlord to rent the
dwelling unit.

"(b) The applicant may recover from the landlord twice the amount of any
applicant screening charge paid, plus \$150, if:

"(A) The landlord fails to comply with this section with respect to the
applicant's screening or screening charge; or

"(B) The landlord does not conduct a screening of the applicant for any
reason and fails to refund an applicant screening charge to the applicant
within a reasonable time.

"(9) A landlord may not require an applicant screening charge
 greater than \$10 if the applicant uses a uniform rental application and
 online tenant screening report as described in section 4 of this 2021

1 **Act.** 

"SECTION 7. No later than March 31, 2022, the Housing and Community Services Department shall provide a report on the department's progress establishing the uniform rental application system under section 3 of this 2021 Act to the interim committees of the Legislative Assembly related to housing in the manner provided under ORS 192.245.

8 "<u>SECTION 8.</u> The Housing and Community Services Department 9 shall complete the development of the uniform rental application sys-10 tem under section 3 of this 2021 Act no later September 1, 2022.

"SECTION 9. Section 4 of this 2021 Act and the amendments to ORS
 90.295 by section 6 of this 2021 Act apply to landlords accepting appli cations for a rental agreement on or after September 1, 2022.

"SECTION 10. This 2021 Act takes effect on the 91st day after the
 date on which the 2021 regular session of the Eighty-first Legislative
 Assembly adjourns sine die.".

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