SB 291-A11 (LC 679) 5/26/21 (RLM/ps)

Requested by HOUSE COMMITTEE ON HOUSING (at the request of Representative Julie Fahey)

PROPOSED AMENDMENTS TO A-ENGROSSED SENATE BILL 291

On page 1 of the printed A-engrossed bill, delete lines 4 through 23 and delete pages 2 through 5 and insert:

³ "SECTION 1. ORS 90.295 is amended to read:

"90.295. (1)(a) A landlord may require payment of an applicant screening charge solely to cover the costs of obtaining information about an applicant as the landlord processes the application for a rental agreement. This activity is known as screening[,] and includes but is not limited to checking references and obtaining a consumer credit report or tenant screening report. The landlord must provide the applicant with a receipt for any applicant 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) The amount of any applicant screening charge must not be greater than the landlord's average actual cost of screening applicants or the customary amount charged by tenant screening companies or consumer credit reporting agencies for a comparable level of screening. Actual costs may include the cost of using a tenant screening company or a consumer credit reporting agency[, and may include] and the reasonable value of any time spent by the landlord or the landlord's agents in otherwise obtaining information on applicants. [In any case, the applicant screening
charge must not be greater than the customary amount charged by tenant
screening companies or consumer credit reporting agencies for a comparable
level of screening.]

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

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

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

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

10 "(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]

15 "(D) The applicant's rights to dispute the accuracy of any information 16 provided to the landlord by a screening company or credit reporting agency;

17 "(E) Any right to appeal a negative determination;

(F) Any nondiscrimination policy as required by federal, state or local law plus any nondiscrimination policy of the landlord, including that a landlord may not discriminate against an applicant because of the race, color, religion, sex, sexual orientation, national origin, marital status, familial status or source of income of the applicant;

"(G) 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

"(H) Whether the landlord requires tenants to obtain and maintain
renter's liability insurance and, if so, the amount of insurance required; and

30 "(c) Gives actual notice to the applicant of an estimate, made to the best

SB 291-A11 5/26/21 Proposed Amendments to A-Eng. SB 291

of the landlord's ability at that time, of the approximate number of rental 1 units of the type, and in the area, sought by the applicant that are, or within $\mathbf{2}$ a reasonable future time will be, available to rent from that landlord. The 3 estimate shall include the approximate number of applications previously 4 accepted and remaining under consideration for those units. A good faith $\mathbf{5}$ error by a landlord in making an estimate under this paragraph does not 6 provide grounds for a claim under subsection [(8)(b)] (6)(b) of this 7 section[;]. 8

9 "[(d) Gives written notice to the applicant of the amount of rent the land-10 lord will charge and the deposits the landlord will require, subject to change 11 in the rent or deposits by agreement of the landlord and the tenant before en-12 tering 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 16 screening charge, if a landlord denies an application for a rental agreement 17 by an applicant and that denial is based in whole or in part on a tenant 18 screening company or consumer credit reporting agency report on that appli-19 cant, the landlord shall give the applicant actual notice of that fact at the same 20time that the landlord notifies the applicant of the denial. Unless written no-21tice of the name and address of the screening company or credit reporting 22agency has previously been given, the landlord shall promptly give written 23notice to the applicant of the name and address of the company or agency that 24provided the report upon which the denial is based.] 25

²⁶ "[(5) Except as provided in subsection (4) of this section, a landlord need ²⁷ not disclose the results of an applicant screening or report to an applicant, ²⁸ with respect to information that is not required to be disclosed under the fed-²⁹ eral Fair Credit Reporting Act. A landlord may give to an applicant a copy ³⁰ of that applicant's consumer report, as defined in the Fair Credit Reporting 1 Act.]

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

6 "[(7)] (5) A landlord that requires an applicant screening charge must 7 refund the applicant screening charge to the applicant within a reasonable 8 time if the landlord:

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

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

"[(8)(a)] (6)(a) An applicant may not recover an applicant screening charge from the landlord if the [*tenant*] **applicant** 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:

16 "(A) The landlord fails to comply with this section with respect to the 17 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.

²¹ "<u>SECTION 2.</u> ORS 90.303 is amended to read:

"90.303. (1) When evaluating an applicant, a landlord may not consider
[an] a previous action to recover possession pursuant to ORS 105.105 to
105.168 if the action:

"(a) Was dismissed or resulted in a general judgment for the applicant
before the applicant submits the application.

"(b) Resulted in a general judgment against the applicant that was entered five or more years before the applicant submits the application.

"(2) When evaluating the applicant, a landlord may [not] consider a previous arrest of the applicant [*if the arrest did not result in a conviction. This* subsection does not apply] only if the arrest [has] resulted in charges for criminal [behavior] conduct as described in subsection (3) of this section [that have not been dismissed at the time the applicant submits the application.] and:

5 "(a) The applicant was convicted of the charges; or

6 "(b) The charges are pending and the applicant is not presently 7 participating in a diversion, conditional discharge or deferral of judg-8 ment program on the charges.

9 "(3) When evaluating the applicant, the landlord may [not] consider 10 criminal [conviction and charging history unless the conviction or pending 11 charge is] convictions or pending charges only for conduct that is pres-12 ently illegal in this state and is:

"(a) A drug-related crime, but not including convictions based solely on
 the use or possession of marijuana;

15 "(b) A person crime;

16 "(c) A sex offense;

"(d) A crime involving financial fraud, including identity theft and for-gery; or

"(e) Any other crime if the conduct for which the applicant was convicted
or charged is of a nature that would adversely affect:

21 "(A) Property of the landlord or a tenant; or

"(B) The health, safety or right to peaceful enjoyment of the premises of
residents, the landlord or the landlord's agent.

"(4) When evaluating an applicant, a landlord may not consider the possession of a medical marijuana card or status as a medical marijuana patient.
"SECTION 3. ORS 90.304 is amended to read:

"90.304. (1) If a landlord [requires an applicant to pay an applicant screening charge and the application is denied, or if an applicant makes a written request following the landlord's denial of an application,] denies an application after the landlord's application of screening or admissions

SB 291-A11 5/26/21 Proposed Amendments to A-Eng. SB 291 criteria, within 14 days of the denial the landlord must [promptly] provide
the applicant with a written statement of one or more reasons for the denial.
"(2) The landlord's statement of reasons for denial required by subsection
(1) of this section may consist of a form with one or more reasons checked
off. The reasons may include, but are not limited to, the following:

6 "(a) Rental information, including:

7 "(A) Negative or insufficient reports from references or other sources.

"(B) An unacceptable or insufficient rental history, such as the lack of
a reference from a prior landlord.

"(C) A prior action for possession under ORS 105.105 to 105.168 that resulted in a general judgment for the plaintiff or an action for possession that has not yet resulted in dismissal or general judgment.

13 "(D) Inability to verify information regarding a rental history.

- 14 "(b) Criminal records, including:
- 15 "(A) An unacceptable criminal history.
- 16 "(B) Inability to verify information regarding criminal history.
- 17 "(c) Financial information, including:

18 "(A) Insufficient income.

19 "(B) Negative information provided by a consumer credit reporting 20 agency.

21 "(C) Inability to verify information regarding credit history.

²² "(d) Failure to meet other written screening or admission criteria.

²³ "(e) The dwelling unit has already been rented.

24 "(3) The statement of reasons for denial must include:

"(a) The name and address of any tenant screening companies or
 consumer credit reporting agencies that provided a report upon which
 the denial is based, if not previously disclosed to the applicant;

(b) Any supplemental evidence provided by the applicant that the landlord considered and an explanation of the reasons that the supplemental evidence did not adequately compensate for the factors that 1 informed the landlord's decision to reject the application; and

2 "(c) Any right of the applicant to appeal the determination.

"(4) Except as provided in subsection (3)(a) 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 "(5) Before denying an application for housing on the basis of 10 criminal history, a landlord must:

"(a) Provide an opportunity for the applicant to submit supple mental evidence to explain, justify or negate the relevance of poten tially negative information.

"(b) Conduct an individualized assessment of the applicant, includ ing any supplemental evidence, taking into consideration:

"(A) The nature and severity of the incidents that would lead to a
 denial;

18 **"(B) The number and type of incidents;**

"(C) The time that has elapsed since the date the incidents oc curred; and

21 "(D) The age of the individual at the time the incidents occurred.

"[(3)] (6) If a landlord fails to comply with this section, the applicant may
recover from the landlord \$100.".

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