

House Bill 4125

Sponsored by Representative NATHANSON, Senators MANNING JR, LAWRENCE SPENCE; Representatives HOLVEY, HUDSON, NOSSE, PHAM, SANCHEZ, SCHOUTEN, WILDE, Senator PATTERSON (Pre-session filed.)

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**.

Amends requirements for residential landlords accepting applicant screening charge.

A BILL FOR AN ACT

1
2 Relating to applicant screening for residential tenants; amending ORS 90.295.

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

4 **SECTION 1.** ORS 90.295 is amended to read:

5 90.295. (1)(a) A landlord may require payment of an applicant screening charge solely to cover
6 the costs of obtaining information about an applicant as the landlord processes the application for
7 a rental agreement. This activity is known as screening and includes but is not limited to checking
8 references and obtaining a consumer credit report or tenant screening report. The landlord must
9 provide the applicant with a receipt for any applicant screening charge **and confirmation that a
10 screening has been conducted, including a receipt, from a tenant screening company or
11 consumer credit reporting agency.**

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

15 (2) The amount of any applicant screening charge must not be greater than the landlord's av-
16 erage actual cost of screening applicants or the customary amount charged by tenant screening
17 companies or consumer credit reporting agencies for a comparable level of screening. Actual costs
18 may include the cost of using a tenant screening company or a consumer credit reporting agency
19 and the reasonable value of any time spent by the landlord or the landlord's agents in otherwise
20 obtaining information on applicants.

21 (3) A landlord may not require payment of an applicant screening charge unless prior to ac-
22 cepting the payment the landlord:

23 (a) Adopts written screening or admission criteria;

24 (b) Gives written notice to the applicant of:

25 (A) The amount of the applicant screening charge;

26 (B) The landlord's screening or admission criteria;

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

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

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 (E) A right to appeal a negative determination, if any right to appeal exists;

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

6 (G) The amount of rent the landlord will charge and the deposits the landlord will require,
 7 subject to change in the rent or deposits by agreement of the landlord and the tenant before enter-
 8 ing into a rental agreement; *[and]*

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

11 **(I) The applicant's right to a refund of the screening charge under subsection (5) of this**
 12 **section and right to recover damages under subsection (6)(b) of this section; and**

13 (c) Gives actual notice to the applicant of an estimate, made to the best of the landlord's ability
 14 at that time, of the approximate number of rental units of the type, and in the area, sought by the
 15 applicant that are, or within a reasonable future time will be, available to rent from that landlord.
 16 The estimate shall include the approximate number of applications previously accepted and remain-
 17 ing under consideration for those units. A good faith error by a landlord in making an estimate
 18 under this paragraph does not provide grounds for a claim under subsection (6)(b) of this section.

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

22 (5) A landlord that requires an applicant screening charge must refund the applicant screening
 23 charge to the applicant within *[a reasonable time]* **14 days** if the landlord:

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

25 (b) *[Does not screen the applicant for any reason]* **If the applicant has agreed in writing that**
 26 **the application may be held and considered for a time up to 60 days for other units that be-**
 27 **come available, does not screen the applicant for any reason within that time.**

28 (6)(a) An applicant may not recover an applicant screening charge from the landlord if the ap-
 29 plicant refuses an offer from the landlord to rent the dwelling unit.

30 (b) The applicant may recover from the landlord twice the amount of any applicant screening
 31 charge paid, plus *[\$150]* **\$250**, if:

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

34 (B) The landlord does not conduct a screening of the applicant for any reason and fails to refund
 35 an applicant screening charge to the applicant within *[a reasonable time]* **14 days**.

36