

SB 599 A STAFF MEASURE SUMMARY

House Committee On Early Childhood and Human Services

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Meeting Dates: 5/3, 5/8

WHAT THE MEASURE DOES:

Requires landlord to allow tenant to use dwelling as family child care home, and take reasonable steps to cooperate with tenant to do so, if home is certified or registered with Office of Child Care and tenant has notified landlord. Prohibits landlord from retaliating against tenant for such use. Allows tenant to nullify rental agreement and obtain injunctive relief if landlord does not comply. Allows landlord to require tenant to pay for costs of modifying dwelling to meet certification or registration requirements. Allows landlord to prohibit uses not allowed under zoning, association governing documents, or Early Learning Council rules. Allows landlord to either require tenant to carry surety bond or liability policy in addition to renter's insurance or require parents of children under care to sign document acknowledging liability for losses from injuries. Exempts housing for older persons.

REVENUE: *No revenue impact*

FISCAL: *Has minimal fiscal impact*

SENATE VOTE: *Ayes, 27; Nays, 3*

ISSUES DISCUSSED:

- Consensus among stakeholders
- Supply of child care and early learning providers
- Protections for landlords
- Background of policy development process
- Requirements for registered and certified family child care homes
- Restrictions under zoning or homeowner's association requirements
- Allowance for home-based child care as residential use of property
- Implications for existing insurance policies
- Implications for current lease agreements

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Family child care homes are licensed child care facilities that are operated by providers in their own homes and may be required to either be registered or certified by the Office of Child Care (OCC). Family child care homes that provide care for up to 10 children must be registered with OCC but are not subject to square footage requirements, while those caring for up to 16 children must be certified by OCC and meet certain square footage requirements. Other differences generally include staff training, inspection requirements, and renewal timelines. OCC, housed within the Oregon Department of Education's Early Learning Division, oversees licensing, registration, and certification of child care facilities as well as managing the state's Central Background Registry for child care workers. House Bill 3073 (2021) and House Bill 4005 (2022) converted ELD into an independent agency called the Department of Early Learning and Care beginning July 1, 2023.

Current law specifies that, unless otherwise agreed, rented dwelling units must be used solely as a dwelling (ORS 90.340). Landlords are not required to allow tenants to use rented dwelling units as family child care homes and may prohibit such usage in lease agreements, pursue eviction, and otherwise take action against tenants who

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operate such facilities in their rental properties without consent as with any other violation of a lease agreement (ORS 90.392). Landlords are responsible for maintaining rented dwelling units in a habitable condition, while tenants are responsible for proper usage and cleanliness of the spaces. The law allows tenants to pursue remedies to landlords' noncompliance with their responsibilities, including deducting costs of repair from paid rent, nullification of lease agreement, and injunctive relief (ORS 90.365).

Senate Bill 599 A requires landlords allow tenants' use of rented dwelling units as child care facilities and prescribes conditions for tenants operating family child care homes in rental properties.