

SB 586 A STAFF MEASURE SUMMARY
House Committee On Housing and Homelessness

Carrier: Rep. Javadi

Action Date: 05/21/25

Action: Do Pass the A-Eng bill.

Vote: 11-0-1-0

Yeas: 11 - Andersen, Breese-Iverson, Edwards, Fragala, Gamba, Helfrich, Javadi, Levy E, Mannix, Marsh, Sosa

Exc: 1 - Dobson

Fiscal: Has minimal fiscal impact

Revenue: No revenue impact

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Meeting Dates: 4/16, 5/21

WHAT THE MEASURE DOES:

Allows a landlord to terminate a tenancy based on a purchase offer and give notice to the tenant no less than 60 days (instead of 90) prior to the designated termination date if the landlord provides written evidence of the accepted purchase offer and pays the tenant an amount equal to one month's periodic rent, plus any additional amount required. The measure clarifies that for a fixed-term tenancy, termination by the landlord can only occur once the fixed term has expired. It specifies that a notice must be given no less than 90 days prior to the date designated as the termination date. It requires written evidence of a purchase offer accompany the notice to tenant. The measure takes effect on the 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Landlord option to offer 60-day notice, tenant options, and negotiation options under current law
- Residence requirement for duplexes, triplexes, or fourplex
- Purchase offers and notification period
- Timelines for returns of deposits to tenants

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

ORS 90.427 permits landlords to terminate a tenancy without the tenant having caused any specific breach only under clearly defined circumstances and with strict notice requirements. For month-to-month tenancies no-cause terminations after the first year of occupancy require a qualifying reason, such as demolition, conversion, repairs, or owner occupancy and a 90-day written notice. For fixed-term tenancies the landlord can only terminate during the term for cause, but if the lease ends within the first year, termination without cause is allowed with 30 days' notice; after the first year, similar no-cause termination procedures (which effectively convert the lease to month-to-month unless addressed) apply. Special provisions exist for small, owner-occupied buildings that allow for shorter notice periods under certain conditions. When terminating based on a landlord's qualifying reason, such as demolition, major renovations, or intent for owner occupancy, the notice must clearly state the reasons, include supporting facts, and, in some cases, be accompanied by payment equal to one month's rent unless the landlord owns four or fewer dwelling units.