

House Bill 3521

Sponsored by Representative HARTMAN; Representatives GAMBA, NATHANSON, Senators JAMA, PATTERSON

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**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: This Act awards damages if a landlord revokes an offer of housing. (Flesch Readability Score: 60.7).

Requires residential landlords to pay a minimum amount of damages for breaching an agreement to later execute a rental agreement in exchange for holding a deposit.

A BILL FOR AN ACT

1 Relating to residential tenancy hold deposits; creating new provisions; and amending ORS 90.297.

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

3 **SECTION 1.** ORS 90.297 is amended to read:

4 90.297. (1) Except as provided in ORS 90.295 and in this section, a landlord may not charge a
5 deposit or fee, however designated, to an applicant who has applied to a landlord to enter a rental
6 agreement for a dwelling unit.

7
8 (2) A landlord may charge a deposit[, *however designated,*] to an applicant for the purpose of
9 securing the execution of a rental agreement, **only** after approving the applicant's application but
10 prior to entering into a rental agreement. **Before receiving the deposit**, the landlord must give the
11 applicant a written statement describing:

12 (a) The amount of rent and the fees the landlord will charge and the deposits the landlord will
13 require; [*and*]

14 (b) The terms of the agreement to execute a rental agreement; and

15 (c) The conditions for refunding or retaining the deposit.

16 (3) If a rental agreement is executed, the landlord shall either apply the deposit toward the
17 moneys due **to** the landlord under the rental agreement or refund [*it*] **the deposit** immediately to
18 the tenant.

19 (4) If a rental agreement is not executed due to a failure by the applicant to comply with the
20 agreement to execute, the landlord may retain the deposit.

21 (5) If a rental agreement is not executed due to a failure by the landlord to comply with the
22 agreement to execute, within four days the landlord shall [*return the deposit to the applicant either*
23 *by making the deposit available to the applicant at the landlord's customary place of business or by*
24 *mailing the deposit*] **send** by first class mail to the applicant **the deposit plus a penalty equal to**
25 **the greater of the deposit or an amount agreed to by the parties.**

26 (6) If a landlord fails to comply with this section, the applicant or tenant[, *as the case may be,*]
27 may recover from the landlord the amount of any fee or deposit charged, [*plus*] **any penalty allowed**
28 **under subsection (5) of this section and \$150.**

29 **SECTION 2.** The amendments to ORS 90.297 by section 1 of this 2025 Act apply to deposits
30 **received on or after January 1, 2026.**

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.

