



**House Committee on Housing and Homelessness
Testimony Regarding SB 586A
4/16/2025**

Chair Marsh, Vice-Chairs Andersen and Breese-Iverson, and Members of the Committee:

On behalf of the Oregon Law Center, thank you for the opportunity to submit the following neutral testimony regarding SB 586A, which proposes to reduce the notice period for termination of tenancy under specific circumstances.

OLC's mission is to achieve justice for low-income communities of Oregon by providing a full range of the highest quality civil legal services. Helping families maintain safe, stable housing is a critical part of our work. Without stable housing, it is difficult or impossible to hold down a job, keep children in school, access neighborhood amenities, and stay healthy. As vacancy rates have plummeted and housing has become less and less affordable across the state, our clients have increasingly struggled to maintain stability for themselves and their children. Increasingly, low and moderate income tenants risk homelessness as a result of any displacement from current housing.

OLC opposed SB 586 as it was introduced, because it would have drastically reduced the amount of notice given to tenants who are in compliance with the terms of their rental agreements, prior to terminating their housing due to the landlord's sale of the home. An unplanned forced move of this sort can have profound destabilizing impact on a family's financial security, education, health care, employment, and community.

However, we were pleased to engage in dialogue with the proponents and together we were able to craft amendments that addressed the proponent's goals, mitigated OLC's concerns, narrowed the scope, and led to the A-engrossed bill before the committee today. **OLC is neutral on SB 586A.**

Current law and background: Oregon's Just Cause eviction statutes generally require a fault-based reason in order for there to be a termination of tenancy. However, the current law allows landlords to terminate a tenancy even if the tenants are in compliance with the terms of their rental agreement, in several "landlord-based cause" scenarios. These "landlord-based causes" are outlined in ORS 90.427(5). Notices given by a landlord under this subsection of statute require 90 days' notice, and for landlords who own more than 4 units, must be accompanied by the payment of one month's rent of relocation assistance. These notices are intended to balance the landlord's right to make decisions about the use of property with the need for housing security for the tenant who is not at fault. These "landlord-based cause" notices can be used in 4 circumstances, when the landlord:

- Plans to move into the property, or have an immediate family member move in;
- Has accepted an offer to purchase a unit separate from any other unit, from a buyer who plans to move into the unit;
- Plans to repair or renovate an unsafe property or so significantly that the tenant cannot remain living there;

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- Plans to demolish the unit or convert the unit to a nonresidential use

Changes Proposed by SB 586A: The changes will allow landlords the option to shorten the eviction notice period by 30 days in narrow cases, to better align with residential mortgage loan timelines, while protecting needs of tenants by increasing relocation assistance payments if this option is exercised. In cases when a landlord has accepted an offer to purchase a unit that the purchaser intends to move into, the bills provide landlords the option to reduce the notice period from 90 days to 60 days, if the landlord provides an additional month's rent of relocation assistance at the time of giving the notice. This means that landlords would have the option to act under the current law's 90 day structure, or to provide the tenant with an additional month's rent of relocation assistance if they wish to reduce the notice period to 60 days. This would mean that smaller landlords could reduce the notice length to 60 days by providing 1 month rent of relocation assistance and landlords with more than 4 units could reduce the notice to 60 days by providing 2 months' rent of relocation assistance.

The bill makes two other changes to current law:

- Removes the requirement that qualifying sales for the use of a no-fault notice must involve a stand-alone dwelling unit sold separately from other units. However, the ability to terminate a tenancy under this provision would still only pertain to the tenant in the unit that the purchaser intends to move into.
- Amends the notice requirement to say that the landlord must provide the tenant with written evidence of the accepted offer **at the time of giving the notice** (instead of within 120 days of the acceptance of the offer, as provided in current law). This provision is an improvement to that statute from a tenant advocate perspective, because it resolves an ambiguity in current law that makes the current provisions sometimes hard to enforce.

In conclusion, SB 586A represents a thoughtful attempt to address competing needs in landlord-tenant relationships during property sales. OLC is neutral on this proposal and we appreciated the opportunity to engage in dialogue with the proponents. We will remain in contact as we monitor impact moving forward.

Thank you for your time and attention. We are happy to answer any questions or provide further input as needed.