

Special Legislative Session ended on 6/26/20

Another special session will occur at a later date to focus on budget and rent assistance.

House Bill 4213: Passed House 43-14 and Senate 19-8.

Information on the actual bill is available at

<https://olis.oregonlegislature.gov/liz/2020S1/Measures/Overview/HB4213>

Summary of bill:

Prohibits during emergency period and grace period residential and commercial evictions for nonpayment during emergency period. Tolls statute of limitations for claims for residential nonpayment during emergency period and grace period. Prohibits residential evictions without cause during emergency period.

Declares emergency, effective on passage.

Section 1.

This section states that it circumvents contractual law by the state of Oregon due to the declaration of a state of emergency by the Governor.

Section 2.

Adding the bill and making it a part of ORS chapter 90.

Section 3.

Defining the "emergency period" from 04/01/2020 to 09/30/2020.

Defining "nonpayment of rent" as rent, late charges, utility charges or service charges as outlined in the rental agreement.

Defining "nonpayment balance" as all or a part of the net total amount of all items of nonpayment by a

tenant.

Defining " "termination notice without cause" as a notice delivered by a landlord under ORS 90.427

(3)(b), (4)(b) or (c), (5)(a) to (c), or (8)(a)(B) or (b)(B). (This does not include (5)(b), the selling of a rental unit and a buyer moving in.)

During and after the emergency period a landlord may not and may not threaten to:

- (a) Deliver a notice of termination of a rental agreement based on a tenant's nonpayment balance;
- (b) Initiate or continue an action under ORS 105.110 to take possession of a dwelling unit based on a notice of termination for nonpayment delivered on or after April 1, 2020;
- (c) Take any action that would interfere with a tenant's possession or use of a dwelling unit based on a tenant's nonpayment balance;
- (d) Assess a late fee or any other penalty on a tenant's nonpayment; or
- (e) Report a tenant's nonpayment balance as delinquent to any consumer credit reporting agency.

When a landlord receives payments from a tenant or on behalf of a tenant and before applying those payments to the nonpayment balance a landlord shall first apply the payments, in the following order, to:

- (a) Rent for the current rental period;
- (b) Utility or service charges;
- (c) Late rent payment charges; and
- (d) Fees or charges owed by the tenant under ORS 90.302 or other fees or charges related to damage claims or other claims against the tenant

(This is a change from ORS 90.222 (9) and overrides rental agreement language).

If the tenant's one year of tenancy expired during the emergency period and a landlord wants to give a no cause termination notice, they may do so after the emergency period ends and is extended to mean a

period lasting until 30 days following the emergency period.

Starting on 10/01/2020 a tenant who has a nonpayment balance has a six-month grace period ending on 03/31/2020 to pay the nonpayment balance.

On 10/01/2020 a landlord may deliver a written notice to the tenant that the emergency period ended and that all rent, charges, and fees from 10/01/2020 are due and must be paid or a termination notice may be given.

The nonpayment balance that accrued from 04/01/2020 to 9/30/2020 is still due and must be paid with no late charge.

The tenant has a six-month grace period to repay the nonpayment balance by 03/31/2021.

The tenant has 14 days to respond from the receipt of the notice to pay the nonpayment balance by the end of the six-month grace period.

Failure of a response from the tenant to use the grace period may result in a 50% of one months rent following the end of the grace period.

The tenant's response must be actual notice as per 90.150 or by electronic means.

If a landlord violates Section 3 a tenant may recover an amount up to three months rent, actual damages, and or attorney fees.

Section 4 states that section 3 is repealed on 3/31/2021.

Section 5 has definitions that are repeat of section 3.

In addition, landlord may not and may not threaten to, based on tenant's non-payment,

- a. Deliver notice terminating a rental agreement
- b. Initiate or take action possession
- c. Take action that would interfere with tenant's possession or use of a rental unit
- d. May not impose late fees or other penalties

Following the emergency period, a tenant with an outstanding balance has a 6-month grace period that ends on 3/31/21 to pay the outstanding balance. During the grace period a landlord may deliver written notice that states: the date emergency period ended, tenancy may be terminated for non-payment of balance of rent owed during the emergency period, that accrued rent is still due and payable, no late fees are owed, that grace period ends on 3/31/21. Failure of the tenant to give notice to the landlord of utilization of the grace period, may result in rents balances coming due and having to be paid or the landlord may terminate the tenancy. Tenant's notice may be given in compliance with ORS 91.110 or by electronic means and must be given by the date given in the landlord's notice. The landlord may offer an alternative payment plan but the notice must state that the alternative plan is voluntary. Failure of the tenant to respond entitles the landlord to recover damages of 50% of one month's rent following the grace period. If the landlord violates this section, tenant may obtain injunctive relief to recover possession or other violation and recover from the landlord an amount up to 3 month's rent plus actual damages.

Section 6 is a repeal of section 5 on 03/31/2021

Section 7 is a "tolled" statement for the period of limitation of the bill for claims by a landlord based on the tenant's nonpayment or nonpayment balance as defined in Section 3.

(Tolling is a legal doctrine that allows for the pausing or delaying of the running of the period of time set forth by a statute of limitations , such that a lawsuit may potentially be filed even after the statute of limitations has run.)

Section 8 declares an emergency and takes effect on passage.

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