2019 Oregon Laws Ch. 1 (S.B. 608)

OREGON 2019 SESSION LAWS

REGULAR SESSION OF THE 80th LEGISLATIVE ASSEMBLY

Additions are indicated by **Text**; deletions by **Text**.

Vetoes are indicated by **Text**; stricken material by **Text**.

Ch. 1 (S.B. No. 608)

West's No. 1 LANDLORD AND TENANT—LEASES—TERMINATION

AN ACT Relating to residential tenancies; creating new provisions; amending ORS 90.100, 90.220, 90.323, 90.427, 90.600, 90.643, 90.675 and 105.124; and declaring an emergency.

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

SECTION 1. ORS 90.427 is amended to read:

<< OR ST 90.427 >>

90.427. (1) As used in this section, :

- (a) "First year of occupancy" includes all periods in which any of the tenants has resided in the dwelling unit for one year or less.
- (b) "Immediate family" means:
 - (A) An adult person related by blood, adoption, marriage or domestic partnership, as defined in ORS 106.310, or as defined or described in similar law in another jurisdiction;
 - (B) An unmarried parent of a joint child;
 - (C) A child, grandchild, foster child, ward or guardian; or
 - (D) A child, grandchild, foster child, ward or guardian of any person listed in subparagraph (A) or (B) of this paragraph.
- (2) If a tenancy is a week-to-week tenancy, the landlord or the tenant may terminate the tenancy by a written notice given to the other at least 10 days before the termination date specified in the notice.
- (3) If a tenancy is a month-to-month tenancy:
 - (a) At any time during the tenancy, the tenant may terminate the tenancy by giving the landlord notice in writing not less than 30 days prior to the date designated in the notice for the termination of the tenancy.
 - (b) At any time during the first year of occupancy, the landlord may terminate the tenancy by giving the tenant notice in writing not less than 30 days prior to the date designated in the notice for the termination of the tenancy.

- (c) At any time after the first year of occupancy, the landlord may terminate the tenancy by giving the tenant notice in writing not less than 60 days prior to the date designated in the notice for the termination of the tenancy.
- (4) If the tenancy is for a fixed term of at least one year and by its terms becomes a month-to-month tenancy after the fixed term:
 - (a) At any time during the fixed term, notwithstanding subsection (3) of this section, the landlord or the tenant may terminate the tenancy without cause by giving the other notice in writing not less than 30 days prior to the specified ending date for the fixed term or not less than 30 days prior to the date designated in the notice for the termination of the tenancy, whichever is later.
 - (b) After the specified ending date for the fixed term, at any time during the month-to-month tenancy, the landlord may terminate the tenancy without cause only by giving the tenant notice in writing not less than 60 days prior to the date designated in the notice for the termination of the tenancy.
 - (c) Except as provided in subsection (8) of this section, at any time after the first year of occupancy, the landlord may terminate the tenancy only:
 - (A) For a tenant cause and with notice in writing as specified in ORS 86.782 (6)(c), 90.380 (5), 90.392, 90.394, 90.396, 90.398, 90.405, 90.440 or 90.445; or
 - (B) For a qualifying landlord reason for termination and with notice in writing as described in subsections (5) to (7) of this section.
- (4) If the tenancy is a fixed term tenancy:
 - (a) The landlord may terminate the tenancy during the fixed term only for cause and with notice as described in ORS 86.782 (6)(c), 90.380 (5), 90.392, 90.394, 90.396, 90.398, 90.405, 90.440 or 90.445.
 - (b) If the specified ending date for the fixed term falls within the first year of occupancy, the landlord may terminate the tenancy without cause by giving the tenant notice in writing not less than 30 days prior to the specified ending date for the fixed term, or 30 days prior to the date designated in the notice for the termination of the tenancy, whichever is later.
 - (c) Except as provided by subsection (8) of this section, if the specified ending date for the fixed term falls after the first year of occupancy, the fixed term tenancy becomes a month-to-month tenancy upon the expiration of the fixed term, unless:
 - (A) The landlord and tenant agree to a new fixed term tenancy;
 - (B) The tenant gives notice in writing not less than 30 days prior to the specified ending date for the fixed term or the date designated in the notice for the termination of the tenancy, whichever is later; or
 - (C) The landlord has a qualifying reason for termination and gives notice as specified in subsections (5) to (7) of this section.
- (5) Notwithstanding subsections (3)(e) and (4)(b) of this section, The landlord may terminate a month-to-month tenancy under subsection (3)(c)(B) of this section at any time, or may terminate a fixed term tenancy upon the expiration of the fixed term under subsection (4)(c) of this section, by giving the tenant notice in writing not less than 30 90 days prior to the date designated in the notice for the termination of the month-to-month tenancy or the specified ending date for the fixed term, whichever is later, if:
 - (a) The dwelling unit is purchased separately from any other dwelling unit;

- (b) The landlord has accepted an offer to purchase the dwelling unit from a person who intends in good faith to occupy the dwelling unit as the person's primary residence; and
- (c) The landlord has provided the notice, and written evidence of the offer to purchase the dwelling unit, to the tenant not more than 120 days after accepting the offer to purchase.
- (a) The landlord intends to demolish the dwelling unit or convert the dwelling unit to a use other than residential use within a reasonable time;
- (b) The landlord intends to undertake repairs or renovations to the dwelling unit within a reasonable time and:
 - (A) The premises is unsafe or unfit for occupancy; or
 - (B) The dwelling unit will be unsafe or unfit for occupancy during the repairs or renovations;
- (c) The landlord intends for the landlord or a member of the landlord's immediate family to occupy the dwelling unit as a primary residence and the landlord does not own a comparable unit in the same building that is available for occupancy at the same time that the tenant receives notice to terminate the tenancy; or
- (d) The landlord has:
 - (A) Accepted an offer to purchase the dwelling unit separately from any other dwelling unit from a person who intends in good faith to occupy the dwelling unit as the person's primary residence; and
 - (B) Provided the notice and written evidence of the offer to purchase the dwelling unit, to the tenant not more than 120 days after accepting the offer to purchase.
- (6)(a) A landlord that terminates a tenancy under subsection (5) of this section shall:
 - (A) Specify in the termination notice the reason for the termination and supporting facts;
 - (B) State that the rental agreement will terminate upon a designated date not less than 90 days after delivery of the notice; and
 - (C) At the time the landlord delivers the tenant the notice to terminate the tenancy, pay the tenant an amount equal to one month's periodic rent.
 - (b) The requirements of paragraph (a)(C) of this subsection do not apply to a landlord who has an ownership interest in four or fewer residential dwelling units.
- (7) A fixed term tenancy does not become a month-to-month tenancy upon the expiration of the fixed term if the landlord gives the tenant notice in writing not less than 90 days prior to the specified ending date for the fixed term or 90 days prior to the date designated in the notice for the termination of the tenancy, whichever is later, and:
 - (a) The tenant has committed three or more violations of the rental agreement within the preceding 12-month period and the landlord has given the tenant a written warning notice at the time of each violation;
 - (b) Each written warning notice:
 - (A) Specifies the violation;
 - (B) States that the landlord may choose to terminate the tenancy at the end of the fixed term if there are three violations within a 12-month period preceding the end of the fixed term; and

- (C) States that correcting the third or subsequent violation is not a defense to termination under this subsection; and
- (c) The 90-day notice of termination:
 - (A) States that the rental agreement will terminate upon the specified ending date for the fixed term or upon a designated date not less than 90 days after delivery of the notice, whichever is later;
 - (B) Specifies the reason for the termination and supporting facts; and
 - (C) Is delivered to the tenant concurrent with or after the third or subsequent written warning notice.
- (8) If the tenancy is for occupancy in a dwelling unit that is located in the same building or on the same property as the landlord's primary residence, and the building or the property contains not more than two dwelling units, the landlord may terminate the tenancy at any time after the first year of occupancy:
 - (a) For a month-to-month tenancy:
 - (A) For cause and with notice as described in ORS 86.782 (6)(c), 90.380 (5), 90.392, 90.394, 90.396, 90.398, 90.405, 90.440 or 90.445;
 - (B) Without cause by giving the tenant notice in writing not less than 60 days prior to the date designated in the notice for the termination of the tenancy; or
 - (C) Without cause by giving the tenant notice in writing not less than 30 days prior to the date designated in the notice for the termination of the tenancy if:
 - (i) The dwelling unit is purchased separately from any other dwelling unit;
 - (ii) The landlord has accepted an offer to purchase the dwelling unit from a person who intends in good faith to occupy the dwelling unit as the person's primary residence; and
 - (iii) The landlord has provided the notice, and written evidence of the offer to purchase the dwelling unit, to the tenant not more than 120 days after accepting the offer to purchase.
 - (b) For a fixed term tenancy:
 - (A) During the term of the tenancy, only for cause and with notice as described in ORS 86.782 (6)(c), 90.380 (5), 90.392, 90.394, 90.396, 90.398, 90.405, 90.440 or 90.445; or
 - (B) At any time during the fixed term, without cause by giving the tenant notice in writing not less than 30 days prior to the specified ending date for the fixed term, or 30 days prior to the date designated in the notice for the termination of the tenancy, whichever is later.
- (9)(a) If a landlord terminates a tenancy in violation of subsection (3)(c)(B), (4)(c), (5), (6) or (7) of this section:
 - (A) The landlord shall be liable to the tenant in an amount equal to three months' rent in addition to actual damages sustained by the tenant as a result of the tenancy termination; and
 - (B) The tenant has a defense to an action for possession by the landlord.
 - (b) A tenant is entitled to recovery under paragraph (a) of this subsection if the tenant commences an action asserting the claim within one year after the tenant knew or should have known that the landlord terminated the tenancy in violation of this section.

- (6) (10) The tenancy shall terminate on the date designated and without regard to the expiration of the period for which, by the terms of the tenancy, rents are to be paid. Unless otherwise agreed, rent is uniformly apportionable from day to day.
- (7) (11) If the tenant remains in possession without the landlord's consent after expiration of the term of the rental agreement or its termination, the landlord may bring an action for possession. In addition, the landlord may recover from the tenant any actual damages resulting from the tenant holding over, including the value of any rent accruing from the expiration or termination of the rental agreement until the landlord knows or should know that the tenant has relinquished possession to the landlord. If the landlord consents to the tenant's continued occupancy, ORS 90.220 (7) applies.
- (8)(a) (12)(a) A notice given to terminate a tenancy under subsection (2), or (3)(a) or (b), (8)(a)(B) or (C) or (8)(b) of this section need not state a reason for the termination.
 - (b) Notwithstanding paragraph (a) of this subsection, a landlord or tenant may include in a notice of termination given under subsection (2), or (3)(a) or (b), (8)(a)(B) or (C) or (8)(b) of this section an explanation of the reason for the termination without having to prove the reason. An explanation does not give the person receiving the notice of termination a right to cure the reason if the notice states that:
 - (A) The notice is given without stated cause;
 - (B) The recipient of the notice does not have a right to cure the reason for the termination; and
 - (C) The person giving the notice need not prove the reason for the termination in a court action.
- (9) (13) Subsections (2) to (5) (9) of this section do not apply to a month-to-month tenancy subject to ORS 90.429 or other tenancy created by a rental agreement subject to ORS 90.505 to 90.850.

SECTION 2. ORS 90.323 is amended to read:

<< OR ST 90.323 >>

- 90.323. (1) If a tenancy is a week-to-week tenancy, the landlord may not increase the rent without giving the tenant written notice at least seven days prior to the effective date of the rent increase.
- (2) For purposes of this section, the term "consumer price index" refers to the annual 12-month average change in the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor in September of the prior calendar year.
- (2) (3) If a tenancy is a month-to-month tenancy During any tenancy other than week-to-week, the landlord may not increase the rent:
 - (a) During the first year after the tenancy begins.
 - (b) At any time after the first year of the tenancy without giving the tenant written notice at least 90 days prior to the effective date of the rent increase.
 - (c) During any 12—month period, in an amount greater than seven percent plus the consumer price index above the existing rent except as permitted under subsection (7) of this section.

- (3) (4) The notices required under this section must specify:
 - (a) The amount of the rent increase;
 - (b) The amount of the new rent; and
 - (c) Facts supporting the exemption authorized by subsection (7) of this section, if the increase is above the amount allowed in subsection (3)(c) of this section; and
 - (e) (d) The date on which the increase becomes effective.
- (4) (5) This section does not apply to tenancies governed by ORS 90.505 to 90.850.
- (6) A landlord terminating a tenancy with a 30-day notice without cause as authorized by ORS 90.427 (3) or (4) during the first year of a tenancy may not reset rent for the next tenancy in an amount greater than seven percent plus the consumer price index above the previous rent.
- (7) A landlord is not subject to subsection (3)(c) or (6) of this section when:
 - (a) The first certificate of occupancy for the dwelling unit was issued less than 15 years from the date of the notice of the rent increase; or
 - (b) The landlord is providing reduced rent to the tenant as part of a federal, state or local program or subsidy.
- (8) A landlord that increases rent in violation of subsection (3)(c) or (6) of this section is liable to the tenant in an amount equal to three months' rent plus actual damages suffered by the tenant.

SECTION 3. ORS 90.600 is amended to read:

<< OR ST 90.600 >>

- 90.600. (1) For purposes of this section, the term "consumer price index" refers to the annual 12—month average change in the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor in September of the prior calendar year.
- (1) (2) If a rental agreement is a month-to-month tenancy to which ORS 90.505 to 90.850 apply, the landlord may not increase the rent unless the landlord gives:
 - (a) Without giving each affected tenant notice in writing to each affected tenant at least 90 days prior to the effective date of the rent increase specifying; and
 - (b) During any 12-month period, in an amount greater than seven percent plus the consumer price index above the existing rent.
- (3) The written notice required by subsection (2)(a) of this section must specify:
 - (a) The amount of the rent increase;
 - **(b)** The amount of the new rent and;
 - (c) Facts supporting the exemption authorized by subsection (4) of this section, if the increase is above the amount allowed in subsection (2)(b) of this section; and