Outline of Senate Bill 608, effective 2/28/19

Note: all cites are to new provisions of enrolled Senate Bill 608, https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/SB608/Enrolled

Section One: Establishes a For-Cause Eviction Standard After 12 Month Initial Occupancy Period

A. During first 12 months of occupancy, all landlords may continue to use no-cause notices:
   1. Landlord may terminate a month-to-month tenancy without cause with a 30-day notice; ORS 90.427(3)
   2. Landlord may choose not to renew or extend a fixed-term lease without cause, with a 30-day notice. ORS 90.427(4)(b)

B. After the first 12 months of occupancy, the For-Cause Standard applies:
   1. Month-to-Month Tenancies: A landlord may only terminate a month-to-month tenancy for-cause. For-cause terminations can be in 1 of 2 categories: ORS 90.427.(3)(c)
      a) Tenant-based causes: These reasons have been law for decades, and remain unchanged. (e.g. 24/48/72-hour notices, 10-day notice, or 30/14 day notice.)
      b) Landlord-based causes: Landlord intends to convert the dwelling unit to a non-residential use or to demolish the unit; Landlord intends to make repairs or renovations within a reasonable time and the premises is unsafe or the unit is unsafe or will be unsafe during the repairs or renovations; Landlord or immediate family member plans to move into the unit as a primary residence; or Landlord has accepted an offer to purchase by someone who intends to live in the unit as a primary residence. ORS 90.427(5)
         i. Notice and relocation assistance: Landlord must give Tenant 90 days’ notice and pay an amount equal to one month’s rent towards moving expenses. ORS 90.427(6)
      ii. Exception from relocation assistance: Landlords with an ownership interest in four or fewer units are exempt from paying relocation expenses. ORS 90.427(6)(b)

   2. Fixed-term Tenancies: Unless the parties agree to a new fixed-term tenancy, a fixed-term tenancy automatically rolls over to a month-to-month tenancy at the end of the fixed term, unless there is a tenant-based or landlord-based cause for exemption from the roll-over. ORS 90.427(4)(c)
      a) Additional exemption from roll-over requirement: A fixed-term tenancy does not roll-over at the end of the fixed-term if the tenant has violated the terms of the rental agreement 3 separate times during a 12-month period, with written warnings for each violation given contemporaneously with the violation; each notice must warn of the risk of non-renewal upon three such violations. ORS 90.427(7)
         i. Notice: Landlord must give Tenant 90 days’ notice. The 90-day notice may be given any time prior to the end date of the fixed-term, to take effect at the end of the term or 90 days after issuance of notice, whichever is later.
         ii. No relocation assistance: No relocation assistance required, regardless of how many units the landlord owns.
C. **Damages for violation:** Three months’ rent penalty plus actual damages, defense to eviction, suit brought within one year of discovery of violation. ORS 90.427(9)

D. **Exceptions:** The For-Cause law would not apply to a landlord who lives on the same property as the tenant with 2 or fewer units. These landlords may continue to use a no-cause notice to terminate a month-to-month tenancy or to terminate a fixed term tenancy at the end of the term, regardless of the length of the tenancy. ORS 90.427(8)

**Sections Two and Three:** Establishes Statewide Rent Stabilization for Month-to-Month and Fixed-Term Tenancies

A. **Section Two applies to the general landlord/tenant provisions; Section Three applies to Manufactured Home Parks** ORS 90.323; ORS 90.600

B. **Annual Allowable Rent Increase**
   a. **A landlord may not increase the rent above 7% plus CPI in a 12-month period during a tenancy.** ORS 90.323(3); ORS 90.600(2)(b)
   b. **Landlord may re-set the rent to market rate at the start of a new tenancy.**
   c. **Exceptions:**
      i. **New construction:** If the certificate of occupancy for the dwelling unit was issued less than 15 years ago, a landlord may raise the rent without limitation. ORS 90.323(7)(a); ORS 90.600(4)(a)
      ii. **Regulated affordable housing:** The bill does not apply when the landlord is providing regulated rent to the tenant as part of a federal, state or local program or subsidy. ORS 90.323(7)(b); ORS 90.600(4)(b)
      iii. **No-cause notices during first year of tenancy:** A landlord terminating a tenancy with a 30-day notice without cause or allowing a fixed term tenancy to end during the first year of a tenancy may not re-set rent for the next tenancy in an amount greater than 7% plus the consumer price index above the previous rent. ORS 90.323(6)

C. **Damages for violation:** Three months’ rent penalty plus actual damages, defense to eviction for non-payment of rent set in violation, suit brought within one year. ORS 90.323(8); ORS 90.600(5)

D. **Calculation of CPI**
   a. 12-month average of the Consumer Price Index (CPI-U) West Region as regularly reported and published by the U.S. Dept of Labor, Bureau of Labor Statistics, calculated in September of the prior calendar year. ORS 90.323(2); ORS 90.600(1)
   b. **Note:** The prior 12-month average as of September, 2018 was 3.3%.
      See: https://www.oregon.gov/das/OEA/Pages/Rent-stabilization.aspx

**Sections Four and Five:** Publication of Maximum Allowable Rent Increase Percentage

A. The Department of Administrative Services (which hosts the Office of Economic Analysis) will calculate the upcoming calendar year’s annual maximum rent adjustment no later than September 30th of each year. *New section, page 6*

B. DAS will issue a press release re: the maximum allowable increase to take effect in the coming year, along with information about 90.323 and 90.600, no later than September 30th of each year.

C. DAS will maintain publicly available information on its website for the prior, current, and upcoming year. [https://www.oregon.gov/das/OEA/Pages/Rent-stabilization.aspx](https://www.oregon.gov/das/OEA/Pages/Rent-stabilization.aspx)
Sections Six through Ten: Cross-references and conforming amendments

Sections Eleven through Thirteen: Effective Date and Emergency Clause - Page 21

A. Applies to Fixed-Term tenancies entered into or renewed on or after February 28th, 2019.
B. Applies to terminations of Month-to-Month Tenancies occurring on or after March 30th, 2019.
C. Applies to notices of rent increases delivered on or after February 28th, 2019.
D. Emergency clause, takes effect on signature of Governor (February 28th, 2019.)