



Outline of Senate Bill 608

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.
 2. Landlord may choose not to renew or extend a fixed-term lease without cause, with a 30-day notice.
- 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:
 - a) **Tenant-based causes:** These reasons are already in law (e.g. 24/48/72-hour notices, 10-day notice, or 30/14 day notice. *See list of current law for-cause notices, attached.*)
 - 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; 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.
 - 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.
 - ii. **Exception from relocation assistance:** Landlords who own four or fewer units would be exempt from paying relocation expenses.
 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.**
 - 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), page 3, line 28
 - 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.

- 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.

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**
- 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.**
 - 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.
 - 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.
 - 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.
- C. Damages for violation:** Three months' rent penalty plus actual damages, defense to eviction for non-payment of rent set in violation.
- 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.
 - b.** The 12-month average will be calculated for the 12-month period ending the previous Sept.

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.
- 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.

Sections Six through Ten: Cross-references and conforming amendments

Sections Eleven through Thirteen: Effective Date and Emergency Clause

- A.** Applies to Fixed-Term tenancies entered into or renewed on or after the effective date.
- B.** Applies to terminations of Month-to-Month Tenancies occurring on or after the 30th day after the effective date.
- C.** Applies to notices of rent increases after effective date.
- D.** Emergency clause, takes effect on passage.