

Senate Bill 484

Sponsored by Senator GELSER (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Limits landlord to single applicant screening charge per applicant applying to rent multiple dwelling units owned or managed by landlord.

Requires landlord to refund applicant screening charge if applicant qualifies but is not offered dwelling unit to rent.

A BILL FOR AN ACT

1
2 Relating to applicant screening charges for residential tenancies; creating new provisions; and
3 amending ORS 90.295.

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

5 **SECTION 1.** ORS 90.295 is amended to read:

6 90.295. (1)(a) A landlord may require payment of an applicant screening charge solely to cover
7 the costs of obtaining information about an applicant as the landlord processes the application for
8 a rental agreement. This activity is known as screening, and includes but is not limited to checking
9 references and obtaining a consumer credit report or tenant screening report. The landlord must
10 provide the applicant with a receipt for any applicant screening charge.

11 **(b) A landlord may only require an applicant to pay a single applicant screening charge,**
12 **regardless of the number of rental units owned or managed by the landlord for which the**
13 **applicant has applied to rent.**

14 (2) The amount of any applicant screening charge [*shall*] **must** not be greater than the
15 landlord's average actual cost of screening applicants. Actual costs may include the cost of using
16 a tenant screening company or a consumer credit reporting agency, and may include the reasonable
17 value of any time spent by the landlord or the landlord's agents in otherwise obtaining information
18 on applicants. In any case, the applicant screening charge [*may*] **must** not be greater than the cus-
19 tomary amount charged by tenant screening companies or consumer credit reporting agencies for a
20 comparable level of screening.

21 (3) A landlord may not require payment of an applicant screening charge unless prior to ac-
22 cepting the payment the landlord:

23 (a) Adopts written screening or admission criteria;

24 (b) Gives written notice to the applicant of:

25 (A) The amount of the applicant screening charge;

26 (B) The landlord's screening or admission criteria;

27 (C) The process that the landlord typically will follow in screening the applicant, including
28 whether the landlord uses a tenant screening company, credit reports, public records or criminal
29 records or contacts employers, landlords or other references; and

30 (D) The applicant's rights to dispute the accuracy of any information provided to the landlord

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

1 by a screening company or credit reporting agency;

2 (c) Gives actual notice to the applicant of an estimate, made to the best of the landlord's ability
3 at that time, of the approximate number of rental units of the type, and in the area, sought by the
4 applicant that are, or within a reasonable future time will be, available to rent from that landlord.
5 The estimate shall include the approximate number of applications previously accepted and remain-
6 ing under consideration for those units. A good faith error by a landlord in making an estimate
7 under this paragraph does not provide grounds for a claim under subsection [(8)] **(8)(b)** of this sec-
8 tion;

9 (d) Gives written notice to the applicant of the amount of rent the landlord will charge and the
10 deposits the landlord will require, subject to change in the rent or deposits by agreement of the
11 landlord and the tenant before entering into a rental agreement; and

12 (e) Gives written notice to the applicant whether the landlord requires tenants to obtain and
13 maintain renter's liability insurance and, if so, the amount of insurance required.

14 (4) Regardless of whether a landlord requires payment of an applicant screening charge, if a
15 landlord denies an application for a rental agreement by an applicant and that denial is based in
16 whole or in part on a tenant screening company or consumer credit reporting agency report on that
17 applicant, the landlord shall give the applicant actual notice of that fact at the same time that the
18 landlord notifies the applicant of the denial. Unless written notice of the name and address of the
19 screening company or credit reporting agency has previously been given, the landlord shall promptly
20 give written notice to the applicant of the name and address of the company or agency that provided
21 the report upon which the denial is based.

22 (5) Except as provided in subsection (4) of this section, a landlord need not disclose the results
23 of an applicant screening or report to an applicant, with respect to information that is not required
24 to be disclosed under the federal Fair Credit Reporting Act. A landlord may give to an applicant a
25 copy of that applicant's consumer report, as defined in the Fair Credit Reporting Act.

26 (6) Unless the applicant agrees otherwise in writing, a landlord may not require payment of an
27 applicant screening charge when the landlord knows or should know that no rental units are avail-
28 able at that time or will be available within a reasonable future time.

29 *[(7) If a landlord requires payment of an applicant screening charge but fills the vacant rental unit
30 before screening the applicant or does not conduct a screening of the applicant for any reason, the
31 landlord must refund the applicant screening charge to the applicant within a reasonable time.]*

32 **(7) A landlord that requires an applicant screening charge must refund the applicant
33 screening charge to the applicant within a reasonable time if the landlord:**

34 **(a) Fills the vacant dwelling unit before screening the applicant;**

35 **(b) Screens the applicant but does not offer the dwelling unit to the applicant despite
36 determining that the applicant is qualified; or**

37 **(c) Does not screen the applicant for any reason.**

38 **(8)(a) An applicant may not recover an applicant screening charge from the landlord if
39 the tenant refuses an offer from the landlord to rent the dwelling unit.**

40 [(8)] **(b)** The applicant may recover from the landlord twice the amount of any applicant
41 screening charge paid, plus \$150, if:

42 [(a)] **(A)** The landlord fails to comply with this section **with respect to the applicant's
43 screening or screening charge** *[and does not within a reasonable time accept the applicant's appli-
44 cation for a rental agreement]; or*

45 [(b)] **(B)** The landlord does not conduct a screening of the applicant for any reason and fails to

1 refund an applicant screening charge to the applicant within a reasonable time.

2 **SECTION 2. The amendments to ORS 90.295 by section 1 of this 2019 Act apply to appli-**
3 **cant screening charges paid on or after the effective date of this 2019 Act.**

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