

## 2013 LEGISLATIVE CHANGES

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### 1. CHANGES TO ORLTA- EFFECTIVE JANUARY 1, 2014

**Renters Insurance-** Landlord can require a tenant to obtain and maintain liability insurance

Requirement must be in a written rental agreement

Maximum amount- greater of \$100,000 or the customary amount required by landlords for similar properties with similar rents in the same rental market

Must disclose to an applicant in writing the insurance requirement and amount prior to taking screening charge

May require an applicant to provide proof of insurance prior to signing rental agreement

May amend month to month agree to require insurance with at least 30 days' written notice- if tenant does not obtain, may give 30/14 termination notice

During tenancy may ask for proof insurance in place: frequency of request based on coverage period or more often if reasonably believe policy no longer in force

Landlord must also have comparable liability insurance and must provide tenant documentation on request. Landlord can provide documentation in person, by mail or posting in common area or office. Written rental agreement must describe this requirement.

Neither landlord nor tenant shall make unreasonable demands regarding documentation that harass the other

Landlord may not: require insurance from a particular insurer; require that tenant name landlord as additional insured or having any other special status; require tenant to waive subrogation

Landlord may not make a claim against the tenant's insurer unless: claim for damages or costs for which the tenant is legally liable, not from ordinary wear and tear, not

from acts of God or the conduct of the landlord; claim is greater than the security deposit; and provide copy of claim to tenant at time submitted to insurer

Cannot require insurance if: a) tenant household income equal or less than 50% of area median income; or b) dwelling unit subsidized by with public funds (does not include housing authority vouchers)

If landlord files a frivolous claim against the tenant's insurer- actual damages plus \$500

None of this applies to manufactured home parks

### **Screening**

Cannot consider FED where judgment more than 5 years old

Cannot consider arrest records when no conviction- but can consider arrests where charges pending

Can consider conviction or pending charges for following crimes: drug-related; person crimes; sex offenses; financial fraud including ID theft and forgery; any other crime if conduct would adversely affect property of landlord or other tenants or the health, safety or right of peaceful enjoyment of the premises

### **Fees**

Limits smoke/CO detector tampering fee to \$250

Non-compliance fees

No fee for first noncompliance

Must give written warning within 30 days after first noncompliance- describes noncompliance and the fees for second or subsequent noncompliance that occur within one year after warning notice

Written notice when imposing fees for second or subsequent same or similar noncompliance – must be within 30 days of noncompliance;

\$50 for second same or similar noncompliance within one year of first warning

\$50 PLUS 5% of rent payment for third or subsequent same or similar noncompliance within one year of first warning

May not impose noncompliance fee and also terminate for that noncompliance – must choose your remedy. May terminate for failure to pay noncompliance fee

May not deduct noncompliance fee from rent

Noncompliance fees expanded to include: a) smoking in a clearly designated no-smoking unit or area of the premises; and b) keeping an unauthorized pet capable of causing damages to persons or property

### **Other Fees**

Clarified can charge for replacing a key lost by a tenant

Can charge credit card processing fees if allow tenant to pay by cash or by check

### **Foreclosure**

Tenant on a fixed term tenancy may terminate early with a 60 day notice when they receive actual notice the property is in foreclosure. Landlord may cure within 30 days by providing written evidence from lender or trustee that property no longer in foreclosure or receiver has been appointed

### **Technical Corrections**

Carpet cleaning charge - clarified that carpet has to be cleaned or replaced "after the previous tenancy or the most recent significant use of the carpet"

Loss of use damages after move out - clarified the loss of use must be the result of cleaning or damages for which the tenant is responsible

Clarified that "midnight" for purposes of written notices means the end of the last day

Definition of "rent" clarified to include amounts paid to "use the premises" – this means you can charge a late fee for failure to timely pay rent for use of garages, carports, etc.

Time to return rent without a waiver was clarified to 10 days in all statutes. Previously 10 days in the LL-T statutes and 6 in the FED statute

## **2. CANNOT REFUSE TO RENT TO SECTION 8 VOUCHER HOLDERS- EFFECTIVE JULY 1, 2014**

Includes vouchers in the definition of income for source of income discrimination

Landlord may still screen for past conduct and apply same criteria as applies to all applicants

The amount of the voucher must be taken into account when considering the applicant's ability to pay rent

*COUNT VOUCHER  
TOWARDS  
INCOME*

Established a guaranty program administered by Housing and Community Services Department. Landlord may make a claim on the guaranty fund:

Must obtain a judgment against the tenant for property damage, unpaid rent or other property related damages, all beyond normal wear and tear

Claim must be between \$500 and \$5,000.

Submit a claim within one year of obtaining the judgment

HCSA will pursue the tenants for reimbursement, will provide information to housing authorities and landlords about the status of tenants' repayments

Requires local housing authorities to, consistent with federal law: ensure timely unit inspections, establish leases with terms matching what is standard and customary for the dwelling unit involved (what that particular landlord usually uses), establish process for landlords to provide regular input

Establishes statewide advisory committee made up of local housing authorities, landlord advocates and tenant advocates

3. **CONTRACTOR'S LICENSE- EFFECTIVE JANUARY 1, 2014**

Clarifies that real estate licensees and their employees are exempt from the contractor's licensing statutes for work performed on real estate they manage

4. **TOWING- EFFECTIVE JANUARY 1, 2014**

Makes the following change to when a tower may tow a vehicle: Violates a prominently posted **no parking** [prohibition; or] **sign that warns that parking is prohibited 24 hours a day**;

5. **BEG BUG INFESTATION REPORTING- EFFECTIVE IMMEDIATELY**

Makes reports by pest control companies to public health officials regarding bed bug infestations confidential and not subject to public records disclosure