

New Tenant Protections & Requirements for Landlords Under Senate Bill 608

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SB 608 does two important things:

- 1) **Limits how much landlords can increase the rent each year.** Rent increases are limited to 7% plus the average amount of inflation over the past twelve months, as published in the prior September by the Oregon Dept. of Administrative Services.
- 2) **Limits no-cause evictions.** Tenants who have been in their current home for a year or more can no longer be evicted without a reason.

Rent Increase Tenant Protections & Landlord Requirements

- A landlord may not increase the rent during the first year of tenancy.
- A landlord must give 90 days notice of a rent increase.
- After the first year, landlords may not increase the rent above 7% plus average annual change in the consumer price index or “CPI.”
 - The current limit on rent increases in 2019 is 10.3% (7% + 3.3%).
 - The limit on rent increases in 2020 is 9.9% (7% + 2.9%).

Which Tenants are Protected?

- All tenants living in rental units or manufactured home parks at least 15 years old are protected by rent stabilization.
- Renters living in subsidized affordable housing are not covered by the limits on rent increases, but they have other protections that limit their rent amount.

Does Rent Stabilization Apply to the Next Tenancy?

- The rent cap only applies to the next tenancy if the landlord terminated the prior tenancy with a 30-Day No-Cause Notice during the first year of the tenancy.
- Landlord can reset the rent in any amount if the prior tenancy is terminated for any other reason.

Exceptions to the Ban on No-Cause Evictions

- Under the new law, the only times a landlord can now end a tenancy with a no-cause notice are:
 - During the first year of *OCCUPANCY* for anyone living in the unit; or
 - If the landlord lives on the property and the property has only 1-2 units (for example, a duplex or a house with an ADU where the landlord lives in one of the units). Landlords with this exemption are still able to give tenants a 30 day no-cause notice for occupancy less than a year or a 60 day no-cause notice for occupancy a year or longer.

* **Note:** Tenants who live in Portland, Milwaukie or Bend are entitled to 90-day notice and, in Portland, relocation assistance.

After the First Year of Occupancy, How Can a Landlord Terminate a Tenancy?

After the first year, landlords can only end the tenancy if:

- Tenant violated the lease and the landlord gives a “for-cause” notice;
- For one of the four specific “landlord-based” reasons; OR
- With a Three Strikes Notice if the tenant’s fixed term lease is expiring.

After the First Year of Occupancy, When Can a Landlord Evict a Tenant When the Tenant is Not at Fault?

After the first year of occupancy, landlords may end the tenancy for one of these four “landlord-based” reasons:

1. The landlord intends to demolish the unit or convert to use other than residential within a reasonable time;
2. The landlord intends to make repairs or renovations to the unit, and property is or will be unsafe to live in;
3. The landlord or landlord’s immediate family member plans to move in as primary residence and landlord does not own a comparable unit in the same building that is available at the time;
or
4. The landlord has accepted an offer to buy the unit from someone who plans to move in.

What Type of Notice Must a Landlord Issue for the Above Four “Landlord-Based” Reasons?

- The Notice must give at least 90 days notice.
- The Notice must state the reason and supporting facts.

Is Relocation Assistance Required Under State Law?

- Yes. If the landlord uses any of the above four “landlord-based” reasons, the landlord must pay one month rent as relocation assistance.
 - EXCEPTION: Landlords who have an ownership interest in four or fewer units do not have to pay relocation. They still have to give the 90-day notice.
- ***Note**: Tenants who live in the City of Portland qualify for additional relocation assistance under the Mandatory Renter Relocation Assistance Ordinance.

After the First Year, Does it Matter if a Tenant has a Fixed-Term Lease OR a Month-to-Month?

- Yes. If the tenant violated the lease 3 times during the past 12 months, the landlord can refuse to renew the lease if the landlord gave the tenant a written warning ***“at the time”*** of each of the 3 violations. Each warning must:
 - Specify the lease violation,
 - Tell the tenant that the landlord may terminate the tenancy at the end of the lease if there are 3 violations within 12 months of the lease ending, and
 - State that correcting the third or subsequent violation is not a defense to termination.

What Type of Notice Must a Landlord Issue for a Three-Strike Non-Lease Renewal?

- If the landlord uses this type of termination, the landlord must give the tenant a 90-day notice of the termination, and no relocation assistance is required.
- This Notice must state the reason and give supporting facts.
- This type of termination notice may not be used if the tenant has a month-to-month lease.

What if a Landlord Violates These New Protections?

- If a landlord “***terminates a tenancy***” in violation of these new protections, the tenant has:
 - A defense in eviction court; and
 - A claim for 3 months rent + actual damages sustained as a result of the termination.
- Statute of Limitations for wrongful terminations: Action must be brought within one year after the tenant “knew or should have known” of the violation.
- If a landlord **raises rent** in violation of these protections, the tenant has a claim for 3 months’ rent plus actual damages.