HB2109 FULLPCS1 Daniel Pae-JL 2/15/2023 5:05:57 pm

COMMITTEE AMENDMENT HOUSE OF REPRESENTATIVES State of Oklahoma

SPEAKER:

CHAIR:

I move to amend <u>HB2109</u> Of the printed Bill Page Section Lines Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Amendment submitted by: Daniel Pae

Adopted: _____

Reading Clerk

1	STATE OF OKLAHOMA
2	1st Session of the 59th Legislature (2023)
3	PROPOSED COMMITTEE SUBSTITUTE
4	FOR HOUSE BILL NO. 2109 By: Pae
5	
6	
7	
8	PROPOSED COMMITTEE SUBSTITUTE
9	An Act relating to landlord and tenant; prohibiting landlords from retaliating against tenants in certain
10	circumstances; defining forms of retaliation;
11	providing that a landlord may increase rent or decrease services under certain circumstances;
12	providing remedy procedures for tenants; providing examples of nonretaliatory actions; providing that a
13	landlord shall retain the right to recovery if done in good faith; providing when raising rent shall not
14	be considered retaliatory; amending 41 O.S. 2021, Section 121, as amended by Section 1, Chapter 230,
15	O.S.L. 2022 (41 O.S. Supp. 2022, Section 121), which relates to landlord's breach of a rental agreement;
16	providing a tenant may bring an action to enforce an obligation of a landlord; providing guidelines on
17	when a tenant can bring an action to enforce an obligation of a landlord; providing types of relief;
18	providing when a landlord's liability for damages begins; modifying the amount a tenant may be
19	reimbursed by the landlord for making repairs; prohibiting an action for possession based on
20	nonpayment of rent with certain exceptions; requiring a landlord to certify upon delivery that the property
21	meets the standard of habitability and that the landlord is responsible for maintaining that
22	standard; modifying housing requirements that a landlord must provide; providing the court discretion
23	to award damages; providing when tenant possesses rights; providing for codification; and providing an
24	effective date.

1

2

3 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA: A new section of law to be codified 4 SECTION 1. NEW LAW 5 in the Oklahoma Statutes as Section 137 of Title 41, unless there is created a duplication in numbering, reads as follows: 6 7 Except as provided in this section or as otherwise Α. 1. provided by law, a landlord may not retaliate against a tenant by 8 9 increasing rent, decreasing services, by bringing or threatening to 10 bring an action for possession, or by causing a termination of the 11 rental agreement after the landlord has knowledge that: 12 a. the tenant has made a complaint to a governmental 13 agency charged with the enforcement of building or 14 housing code violations related to health or safety, 15 b. the tenant has made a complaint to or filed an action 16 against the landlord for a violation of any provision 17 of Title 41 of the Oklahoma Statutes, 18 the tenant has given the landlord a notice to repair с. 19 or exercise a remedy under Title 41 of the Oklahoma 20 Statutes, 21 d. the tenant has organized or become a member of a 22 tenants' organization, or 23 the tenant has testified in a court proceeding against e. 24 the landlord.

However, the provisions of this section shall not be
 construed to prevent the landlord from increasing rent nor from
 decreasing services in a manner that applies equally to all tenants.

If a landlord acts in violation of this section, the tenant 4 в. 5 is entitled to the applicable remedies provided for in Title 41 of the Oklahoma Statutes, including recovery of actual damages plus 6 7 reasonable attorney fees, and may assert such retaliation as a defense in any action against the landlord for possession. Any 8 9 action taken by a landlord under subsection A of this section within 10 six (6) months of a protected action of the tenant shall be presumed 11 retaliatory, unless proven otherwise by the landlord. Six (6) 12 months after the protected action, the burden of proving retaliatory 13 intent shall be on the tenant.

14 C. Actions by a landlord shall not be considered retaliatory 15 if:

16 1. The tenant is in arrears with regard to his or her rental 17 agreement;

The tenant creates conditions within the unit which are
 unsafe or destructive; or

3. An unforeseen action causes the landlord to comply with a code which would deprive the tenant of the right to continue using the unit.

- 23
- 24

Req. No. 7291

Page 3

D. The landlord shall retain the right to recovery of the premises if that recovery was done in good faith, which actions shall include:

The tenant using the unit for an illegal or illicit purpose
 or otherwise creating a nuisance on the property;

2. The landlord recovering possession of the unit from the
tenant in order to use the unit as a primary residence for either
the landlord or the landlord's immediate family;

9 3. The landlord recovering possession of the unit for the 10 purposes of substantially altering, remodeling, or demolishing the 11 unit; or

4. When the unit is sold and the purchaser intends to use it as a primary residence for either the landlord or a member of the landlord's immediate family.

E. Increases in rent shall not be considered retaliation if:
1. Compliance with a health department or other agency
directive creates a financial burden on the landlord;

18 2. Rent is increased to mitigate the burden of a substantial 19 increase in property taxes;

3. Substantial improvements to the unit that affects a tax
depreciation on the landlord's federal tax bill; or

4. Rent is increased, upon renewal of the lease, which is in
line with an increase in rents by other landlords in similar
situations or units.

Req. No. 7291

Page 4

SECTION 2. AMENDATORY 41 O.S. 2021, Section 121, as
 amended by Section 1, Chapter 230, O.S.L. 2022 (41 O.S. Supp. 2022,
 Section 121), is amended to read as follows:

Section 121. A. Except as otherwise provided in this act, if 4 5 there is a material noncompliance by the landlord with the terms of the rental agreement or a noncompliance with any of the provisions 6 7 of Section 118 of this title which noncompliance materially affects health or safety, the tenant may deliver to the landlord a written 8 9 notice specifying the acts and omissions constituting the breach and 10 that the rental agreement will terminate upon a date not less than 11 thirty (30) days after receipt of the notice if the breach is not 12 remedied within fourteen (14) days, and thereafter the rental 13 agreement shall so terminate as provided in the notice unless the 14 landlord adequately remedies the breach within the time specified 15 tenant may terminate or bring an action in court to enforce an 16 obligation of the landlord. 17 1. A tenant may not bring an action under this title unless the

18 following conditions are met:

 19
 a.
 the tenant gives the landlord written notice of the

 20
 landlord's noncompliance with a provision of this

 21
 title,

22 <u>b.</u> the landlord has been given a reasonable amount of
 23 <u>time, not to exceed fourteen (14) days, to make</u>
 24 <u>repairs or provide a remedy of the condition described</u>

1	in the tenant's notice. The tenant may not prevent
2	the landlord from having access to the rental premises
3	to make repairs or provide a remedy to the condition
4	described in the tenant's notice, and
5	c. the landlord fails or refuses to repair or remedy the
6	condition described in the tenant's notice.
7	2. If the tenant is the prevailing party in an action under
8	this section, the tenant may obtain any of the following, if
9	appropriate under the circumstances:
10	a. actual damages and consequential damages,
11	b. attorney fees and court costs,
12	c. injunctive relief, and
13	d. any other remedy appropriate under the circumstances.
14	3. The landlord's liability for damages begins when:
15	a. the landlord has notice or actual knowledge of
16	noncompliance, and
17	b. the landlord has:
18	(1) refused to remedy the noncompliance, or
19	(2) failed to remedy the noncompliance within a
20	reasonable amount of time, not to exceed fourteen
21	(14) days, following the actual knowledge.
22	B. Except as otherwise provided in this act, if there is a
23	material noncompliance by the landlord with any of the terms of the
24	rental agreement or any of the provisions of Section 118 of this

1 title which noncompliance materially affects health and the breach 2 is remediable by repairs, the reasonable cost of which is equal to or less than one month's rent, the tenant may notify the landlord in 3 4 writing of his or her intention to correct the condition at the 5 landlord's expense after the expiration of fourteen (14) days. Ιf the landlord fails to comply within said fourteen (14) days, or as 6 7 promptly as conditions require in the case of an emergency, the tenant may thereafter cause the work to be done in a workmanlike 8 9 manner and, after submitting to the landlord an itemized statement, 10 deduct from his or her rent the actual and reasonable cost or the 11 fair and reasonable value of the work, not exceeding the amount 12 specified in this subsection, in which event the rental agreement 13 shall not terminate by reason of that breach.

No action for possession on behalf of the landlord based on nonpayment of rent shall be maintained regarding the premises leased or rented for purposes other than for vacation or recreation, if such premises are in substantial violation of standards of habitability outlined in subsection C of this section, provided that:

The tenant proves by a preponderance of the evidence that,

21 while not in arrears in rent, he or she provided written notice of 22 the violation to the person to whom he or she customarily pays rent; 23

24

1 2. The landlord failed to correct the violations within 2 fourteen (14) days of the receipt of such written notice or, in an emergency, as promptly as conditions require; 3 4 3. The violations were not caused by the tenant, a member of 5 the tenant's family, or other persons or animals on the premises with the tenant's consent; and 6 7 4. Necessary repairs have not been prevented due to extreme weather conditions or due to the failure of the tenant to allow the 8 9 landlord reasonable access to the premises. 10 C. Except as otherwise provided in this act, if, contrary to 11 the rental agreement or Section 118 of this title, the landlord 12 willfully or negligently fails to supply heat, running water, hot 13 water, electric, gas or other essential service, the tenant may give 14 written notice to the landlord specifying the breach and thereafter 15 may: 16 1. Upon written notice, immediately terminate the rental 17 agreement; or 18 2. Procure reasonable amounts of heat, hot water, running 19 water, electric, gas or other essential service during the period of 20 the landlord's noncompliance and deduct their actual and reasonable 21 cost from the rent; or 22 3. Recover damages based upon the diminution of the fair rental 23 value of the dwelling unit landlord's noncompliance at the discretion of the court, including reasonable attorney fees; or 24

Req. No. 7291

Page 8

4. Upon written notice, procure reasonable substitute housing
 during the period of the landlord's noncompliance, in which case the
 tenant is excused from paying rent for the period of the landlord's
 noncompliance.

5 D. Except as otherwise provided in this act, if there is a noncompliance by the landlord with the terms of the rental agreement 6 7 or Section 118 of this title, which noncompliance renders the dwelling unit uninhabitable or poses an imminent threat to the 8 9 health and safety of any occupant of the dwelling unit and which 10 noncompliance is not remedied as promptly as conditions require, the 11 tenant may immediately terminate the rental agreement upon written 12 notice to the landlord which notice specifies the noncompliance.

E. All rights of the tenant under this section do not arise until he or she has given written notice to the landlord or if the condition complained of was caused by the deliberate or negligent act or omission of the tenant, a member of his or her family, his or her animal or pet or other person or animal on the premises with his or her consent.

19 SECTION 3. This act shall become effective November 1, 2023.
20
21 59-1-7291 JL 02/13/23
22

- 23
- 24