

# Senate Bill 259

Sponsored by Senator GELSER; Senators DEMBROW, MONNES ANDERSON (Presession 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 charging single applicant screening charge for 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 to rent dwelling unit.

## 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 not be greater than the landlord's av-  
15 erage actual cost of screening applicants. Actual costs may include the cost of using a tenant  
16 screening company or a consumer credit reporting agency, and may include the reasonable value  
17 of any time spent by the landlord or the landlord's agents in otherwise obtaining information on  
18 applicants. In any case, the applicant screening charge may not be greater than the customary  
19 amount charged by tenant screening companies or consumer credit reporting agencies for a compa-  
20 rable 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) of this section;

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

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

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

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

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

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

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

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

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

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

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

41 [(a)] (A) The landlord fails to comply with this section and does not within a reasonable time  
 42 accept the applicant's application for a rental agreement; or

43 [(b)] (B) The landlord does not conduct a screening of the applicant for any reason and fails to  
 44 refund an applicant screening charge to the applicant within a reasonable time.

45 **SECTION 2. The amendments to ORS 90.295 by section 1 of this 2017 Act apply to appli-**

1 **cant screening charges paid on or after the effective date of this 2017 Act.**

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