

## CHAPTER 251

AN ACT

SB 484

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

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

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

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

**(b) A landlord may only require an applicant to pay a single applicant screening charge within any 60-day period, regardless of the number of rental units owned or managed by the landlord for which the applicant has applied to rent.**

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

(3) A landlord may not require payment of an applicant screening charge unless prior to accepting the payment the landlord:

(a) Adopts written screening or admission criteria;

(b) Gives written notice to the applicant of:

(A) The amount of the applicant screening charge;

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

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

(D) The applicant's rights to dispute the accuracy of any information provided to the landlord by a screening company or credit reporting agency;

(c) Gives actual notice to the applicant of an estimate, made to the best of the landlord's ability at that time, of the approximate number of rental units of the type, and in the area, sought by the applicant that are, or within a reasonable future time will be,

available to rent from that landlord. The estimate shall include the approximate number of applications previously accepted and remaining under consideration for those units. A good faith error by a landlord in making an estimate under this paragraph does not provide grounds for a claim under subsection [(8)] **(8)(b)** of this section;

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

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

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

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

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

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

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

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

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

**(8)(a) An applicant may not recover an applicant screening charge from the landlord if the**

**tenant refuses an offer from the landlord to rent the dwelling unit.**

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

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

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

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

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

Approved by the Governor June 4, 2019

Filed in the office of Secretary of State June 4, 2019

Effective date January 1, 2020

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