



September 2014



Legislative Update for September 2014

By Jim Straub, ORHA Legislative Director

The Landlord Tenant Coalition has just started its negotiating process and I have nothing to report just yet. In the meantime, the following Insurance Division Consumer Advisory is very pertinent especially as AirBnB websites become more and more common, and people (read your tenants) are increasingly using them to generate extra income. The advisory describes the insurance coverage risks for people who participate in what is being called the "sharing economy," such as car sharing or networking services like Uber and informal/internet apartment or home rental services like AirBnB - the part of the advisory regarding rental sharing is the most relevant to us. It warns that those who rent out rooms or homes on a regular basis via services like AirBnB are probably not covered by their homeowners insurance policies, which generally don't include business uses. AirBnB is becoming a huge problem for landlords in the Portland area, and it's just a matter of time until it trickles down to the rest of us. Happy Landlording.

<http://www.oregon.gov/DCBS/insurance/news/Pages/2014/sept192014.aspx>

Consumer Advisory: *Think about insurance before participating in sharing economy*

The Department of Consumer and Business Services, Insurance Division advises Oregonians to consider their insurance needs when engaging in new apps and websites that facilitate car rides, vacation rentals, and other services – known as the "sharing economy."

"When a new industry emerges, it often creates unique insurance situations," said Insurance Commissioner Laura Cali. "Consumers should be aware that traditional insurance policies may not apply when participating in a new kind of business."

Examples include transportation networking companies (TNCs), such as Uber, Lyft, and Sidecar, that offer smartphone apps to help connect drivers and passengers as an alternative to taxis. Drivers who participate use their personal vehicles to transport passengers for a fee. Other companies, such as Airbnb, allow people to list and book properties for rent through its website.

Here is what you need to consider before participating in these new endeavors:

Drivers of TNCs

Personal insurance policies will not provide you with coverage if you drive for a TNC. Be-

cause you would be collecting a fee for driving another person, your personal insurance policy would not cover any damage or losses that occur. Before signing up to become a driver:

- Find out if the company has an insurance program. Make sure the commercial automobile insurance policy held by the TNC includes coverage for bodily injury and property damage to you and others before and during the time you are designated to drive passengers for payment.
- Review any agreement involving car-sharing or ridesharing. Seek legal counsel if needed.
- Call your insurance company or agent to discuss your options and whether you might want to consider a commercial insurance policy.

Passengers of TNCs

Neither your personal auto policy nor the personal auto policy of the driver will protect you when you are riding in another vehicle for a fee. Before using a ride-sharing service:

- Ask the transportation company if it has coverage that will pay for your expenses in the event of an injury.

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Legislative Priorities Established in Bend

By **Michael Steffen**, ORHA President

We had a great planning session in Bend earlier this month during which we outlined legislative priorities and organizational goals for the coming year. We received legislative input from many member associations, both in person and via other communication, which was discussed in detail as we outlined priorities for the legislative team to pursue during the current landlord-tenant coalition meetings. Our legislative director, Jim Straub, continues to develop a negotiation strategy based on our recommendations so I will let him present coalition priorities in one of his next legislative updates. In the meantime,

rest assured that our strategy continues to work toward the creation of good law that works effectively for landlords.

On the organizational front, we discussed membership development objectives, mentoring programs, educational priorities, forms enhancements (printed and on line), website changes and other potential projects which might benefit individual member associations and ORHA as a whole. The various committees affected by the suggestions presented during the meeting have been asked to evaluate how best to

approach the various opportunities. I will outline initiatives in greater detail in future newsletters.

I want to thank all of the delegates and members who participated in the planning session and look forward to seeing all who can attend future meetings.

**Next ORHA
Board Meeting
Nov. 22, 2014
Eugene**

Consumer Advisory, *continued from page 1.*

- Call your insurance company or agent to discuss your options.

a policy specifically designed for a landlord.

Homeowners listing their home for rent

Some insurance companies may provide coverage if you occasionally rent out a room, but making all or part of your home available for regular rental likely would be considered business use. Homeowner policies generally do not provide coverage for business use. If you are considering renting out your home through a service such as Airbnb:

- Check with your agent or insurance company if you're considering making all or part of your home available for rental on a regular basis. Your agent or customer service representative can explain how your current policy does or does not apply and any options available to you.
- Find out whether you can add to your coverage, or whether you have to buy

Consumers renting a room or home

If you rent through a mobile app or website and there is damage to your belongings during your stay, your own homeowner or renter policy would apply similar to when you rent a hotel room.

If you have questions, the Insurance Division can help. You can reach the division's Consumer Advocacy Unit by calling 1-888-877-4894 (toll-free), emailing cp.ins@state.or.us, or visiting www.insurance.oregon.gov.

The Insurance Division is part of the Department of Consumer and Business Services, Oregon's largest business regulatory and consumer protection agency. Visit <http://www.dCBS.oregon.gov>.

For more information: Lisa Morawski, lisa.m.morawski@state.or.us, 503-947-7873.

FORMS HIGHLIGHT: ORHA Forms are Available Online!



Oregon Rental Housing Forms are just a click away!

- 1 www.oregonrentalhousing.com
- 2 Click (top right): "Click to Get ORHA Forms Online"
- 3 Input your local association code in the field labeled "Enter Your Member ID" to receive ORHA forms 1/2 PRICE
- 4 Choose a form
- 5 Click on the form
- 6 Input your information
- 7 Click "Generate PDF"
- 8 Click "Check Out" – This will direct you to PayPal
- 9 Follow payment directions. Once complete, PayPal will return to the ORHA Forms page to "Print Link." This link will also be sent to your email address.

oregonrentalhousing.com

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