



March 2015



## Landlord Top 11 Bill List

By Shawn Miller, ORHA Lobbyist

The 78th legislative assembly is underway and the Oregon Rental Housing Association tracks dozens of bills that affect rental owners. Our top priority, as always, this session is our landlord tenant omnibus bill—Senate Bill 390, which takes months to negotiate with the tenant advocates, as part of the landlord tenant coalition (See SB 390 summary).

Although it is difficult to expect the unexpected, one thing is for sure: ORHA always has to react to unexpected landlord/tenant issues introduced by legislators. That's because any constituent can ask their legislator to draft a bill. With 90 legislators, that could unexpectedly lead to a good idea or a bad idea depending on which side of the landlord/tenant aisle you're on. That's why the landlord tenant coalition does its best to stick together once we have made a deal on the omnibus bill so we, regardless of the issue, can direct all unexpected bills back into an interim conversation with the coalition.

Below are bills that have been introduced that, along with Senate Bill 390, make up our top 11 bill list:

**House Bill 2573** authorizes residential tenant to install on premises and use electric vehicle charging station for personal, noncommercial use. Declares charging station to be personal property of tenant unless different result is negotiated between parties.

**House Bill 2689** reorganizes statute to clarify that cost of carpet cleaning that landlord may deduct from security deposit is not considered default or damage of tenant.

House Bill 3305 prohibits utility or service provider that bills residential tenant directly for utility or service to dwelling unit from billing amounts not paid by former tenant to landlord or to subsequent tenant in dwelling unit.

**House Bill 3494/House Bill 2824** prohibits landlord from requiring applicant or tenant to declaw or devocalize animal otherwise allowed on premises or to advertise in manner that discourages application from potential applicant with otherwise allowed animal that has not been declawed or devocalized.

**House Bill 3076** requires landlord of rental property with well that supplies ground water for domestic purposes to test well for contaminants at specified times.

**House Bill 3107** allows landlord to charge pet security deposit to tenant with disability for service animal or companion animal if landlord requests, and tenant does not provide, documentation that physician has recommended use of service animal or companion animal to mitigate symptoms or effects of disability.

**Senate Bill 539** requires Bureau of Labor and Industries to study issues surrounding use of service animals in Oregon and to report findings to Legislative Assembly.

**Senate Bill 592/House Bill 2564** repeals law that prevents local governments from imposing conditions on approved permits that effectively establish sales price for residential development or limit purchase to class or group of purchasers.

### Editor's Note:

**Senate Bill 390 – Landlord Tenant Coalition Omnibus Bill** addresses seven key issues. Please refer to last month's ORHA newsletter for an ORHA Legislative Update which included a detailed explanation of each of these bill provisions:

- Municipal Fees and Utilities Pass-Through to Tenants.
- Allocation of Tenant Payments (or the Order in Which Tenants' Payments Are Applied to Amounts Due to Landlords).
- Landlords Who Knowingly Rent Unsafe/Illegal Dwelling Units.
- Naming Landlords as 'Interested Parties' on Tenants' Renters' Insurance Policies.
- Damage Caused to Dwelling Unit by "Uninvited Guests" or Third Parties.
- Homeowners Association (HOA) and Condominium Owners Association (COA) Fees Passed-Through to Tenants Upon Move-In/Move-Out.
- Unauthorized Pet Fees.



# Is the Flooring in Your Rental Safe?

By **Christian Bryant**, PAROA President

I am sure you have by now noticed the reports of Formaldehyde being emitted from manufactured flooring imported from China. As a landlord this obviously could be concerning. Should we be worried about being sued by our tenants or should we be worried about being forced to take on the large expense of replacing the flooring in our units?

As of right now it is too early to answer these questions, but it is worth keeping a close eye on as a landlord with manufactured flooring in your units. If you or your tenants are concerned then the first step is to test the air inside the unit. You can purchase a test kit for around \$80. If you happen to purchase your flooring from Lumber Liquidators then they will actually give you a testing kit for free.

If the test comes back positive for Formaldehyde then I would suggest that you take this health risk seriously and replace the flooring if that is the suspected cause. Formaldehyde is actually used in the vast majority of manufactured flooring, but that is typically only emitted into the air for a short time after installation. The flooring with the problem has come from certain manufacturers in China according to initial reports. When installed, the flooring has an ongoing reaction to the glue used that continuously emits Formaldehyde into the air. This obviously causes a health risk as it can build up and eventually poison your tenants.

If you have been watching the reports on this it is gaining momentum and there are law firms that have already started building class action law suits against those they

feel are responsible. As with many things regarding public health in this technological age, it is unlikely to just go away any time soon. This will just add momentum to the trend that has been gaining a lot of momentum over the years of everyone preferring things that are all natural.

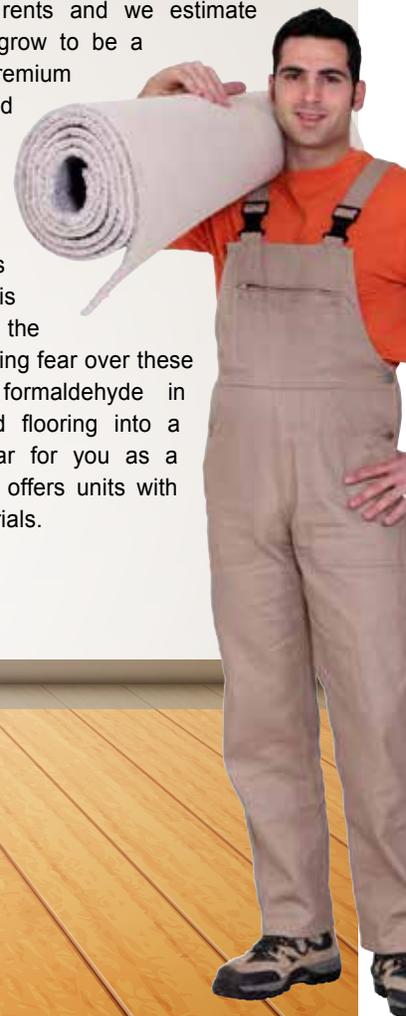
From the food we eat to the clothes we wear there has been a growing and now very large segment of our nation's population that prefers everything to come from natural sources. Within my company we look at this as a possible tipping point in the housing industry as a whole when it comes to using natural materials. There may be a fast approaching day where units with natural materials rent for a premium. So it might be worth trying to get ahead of this curve and sourcing natural materials to use when you are doing the next renovation or a turn over that includes replacing materials.

Within my company, [www.CBPropertyManagement.com](http://www.CBPropertyManagement.com), we have recently spent close to \$150,000 on natural, reclaimed wood floor planks and natural wool carpeting. We did this to help get the costs of using these materials down to that of synthetic materials for our clients. Since these materials are typically the more expensive ones to purchase we bought them in bulk straight from the manufacturers so that our clients can take advantage of that extra savings. Hopefully we will see more companies taking this proactive approach to make it feasible for their clients to use these materials in units that aren't considered strictly high end.

You may ask why we would go beyond wood flooring and purchase wool carpet as well.

We figure that the wood flooring is just the start. As far as I know there haven't been any reports on synthetic fiber carpeting causing any health issues, but that won't matter to anyone that jumps on the band wagon of wanting to pay a premium to rent a unit with all natural materials used in its construction. The benefits of wool carpeting is that it is hypo-allergenic, naturally stain resistant, is better at regulating temperature, and of course comes from a sustainable source.

There are many materials commonly used in rental units that can be replaced by natural materials. The next time you are doing a renovation or turn over it might be worth your time to at least research the possibilities and then advertise your unit as being one that uses those natural materials. Now that we have started this program we have seen about an average of a 5% increase in rents and we estimate that should grow to be a 10-15% premium being added to units that use natural materials as this trend continues to grow. This also turns the public's growing fear over these reports of formaldehyde in manufactured flooring into a profitable fear for you as a landlord that offers units with natural materials.





## Potential Legislation of Interest

By **Michael Steffen**, ORHA President

Various bills affecting landlord interests have been introduced during the current legislative assembly session in Salem. Shawn Miller, our legislative lobbyist, provides a synopsis of the 11 key bills of importance to rental owners in his article in this issue of the newsletter. The article includes an update from our legislative director, Jim Straub, concerning the landlord-tenant coalition bill in the form of an editor's note.

In other news, the board of delegates elected a new slate of executive officers at the March board meeting. They are: Terry Flora Turner, President; Erika Morris, Vice President; Dennis Chappa, Treasurer; and Christian Bryant, Secretary. The new team will take assume their positions on July 1st. Please join me in welcoming the new ORHA management team.

**Next ORHA Board Meeting**  
**May 16, 2015**  
**Eugene**

### OREGON RENTAL HOUSING ASSOCIATION PRESENTS

# EDUCATION IN PROPERTY MANAGEMENT

#### NOW AVAILABLE

#### WORKSHOPS (3-4 hour)

- Landlord/Tenant Law
- LARRC
- Evictions
- Fair Housing
- Section 8
- Conflict Management
- Property Management
- Landlording 101
- Landlording 103
- Landlording 301
- Tenant Selection
- Maintenance

#### SEMINARS (1 hour)

- Tenant Screening Tips
- Temporary Residents
- Security Deposits
- Abandoned Property
- Medical Marijuana
- Radon

Also, courses by request tailored to local's needs

**NEW!** Section 8 Workshop



ORHA offers workshops and seminars to our member locals to improve skills in managing property. ORHA is a certified provider with the state of Oregon and these courses qualify as hours required for licensed certification. Presenters have extensive experience in the property management field.

For more information contact:

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Contact Terry at 866-364-5468 for customized classes to fit your needs.  
 We have what you are looking for – just call today!

#### FORMS HIGHLIGHT:

## ORHA Forms are Available Online!



Oregon Rental Housing Forms are just a click away!

- 1 [www.oregonrentalhousing.com](http://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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- Michael Steffen, *President*
- Violet Wilson, *Vice President*
- Sibylle Beck, *Treasurer*
- Terry Flora-Turner, *Secretary*
- Dennis Chappa, *Past President*



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