## HB3409 FULLPCS1 Carol Bush-JL 3/1/2022 9:56:42 am

## COMMITTEE AMENDMENT

HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:						
CHAIR:						
I move to amend <u>I</u>	IB3409			0.5	-1	n:11
Page	Section		Line	es	the printed	
				Of the	e Engrossed	Bill
By striking the Ti inserting in lieu						
AMEND TITLE TO CONFOR		Amen	dment	submitted by	: Carol Bush	
Adopted:						

Reading Clerk

## 1 STATE OF OKLAHOMA 2 2nd Session of the 58th Legislature (2022) 3 PROPOSED COMMITTEE SUBSTITUTE 4 FOR HOUSE BILL NO. 3409 By: Bush 5 6 7 8 PROPOSED COMMITTEE SUBSTITUTE 9 An Act relating to landlord and tenant; providing that a landlord may not retaliate against a tenant 10 for certain actions; providing that a landlord is not liable for retaliation if the landlord proves that the action was not made for purposes of retaliation, 11 unless the action violates a prior court order; providing certain circumstances that are not 12 considered retaliatory; proving for a rebuttable 1.3 presumption of retaliation; providing exceptions; providing for the rebuttal of a presumption of 14 retaliation; providing remedies for retaliation; providing how to prove a bad faith claim of 15 retaliation; providing landlords a remedy for a claim retaliation made in bad faith; providing that in an 16 eviction suit, retaliation rent deduction lawfully made by the tenant is a defense for nonpayment of the 17 rent; amending 41 O.S. 2021, Section 121, which relates to landlord's breach of a rental agreement; 18 modifying the amount a tenant may be reimbursed by the landlord for making repairs; providing for 19 codification; and proving an effective date. 20 2.1 22 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA: 23 24

- SECTION 1. NEW LAW A new section of law to be codified
  in the Oklahoma Statutes as Section 202 of Title 41, unless there is
  created a duplication in numbering, reads as follows:
  - A. A landlord may not retaliate against a tenant by taking an action described by subsection B of this section because the tenant:

- 1. In good faith exercises or attempts to exercise against a landlord a right or remedy granted to the tenant by lease, municipal ordinance, or federal or state statute;
- 2. Gives a landlord a notice to repair or exercise a remedy under this act;
- 3. Complains to a governmental entity responsible for enforcing building or housing codes, a public utility, or a civic or nonprofit agency, and the tenant:
  - a. claims a building or housing code violation or utility problem, and
  - b. believes in good faith that the complaint is valid and that the violation or problem occurred; or
- 4. Establishes, attempts to establish, or participates in a tenant organization.
- B. A landlord may not, within six (6) months after the date of the tenant's action under subsection A of this section, retaliate against the tenant by:
- 1. Filing an eviction proceeding, except for the grounds stated in Section 2 of this act;

- 1 2. Depriving the tenant of the use of the premises, except for
  2 reasons authorized by law;
  - 3. Decreasing services to the tenant;

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- 4. Increasing the tenant's rent or terminating the tenant's lease; or
- 5. Engaging, in bad faith, in a course of conduct that materially interferes with the tenant's rights under the tenant's lease.
- 9 SECTION 2. NEW LAW A new section of law to be codified 10 in the Oklahoma Statutes as Section 203 of Title 41, unless there is 11 created a duplication in numbering, reads as follows:
  - A. The landlord is not liable for retaliation under this section if the landlord proves that the action was not made for purposes of retaliation, nor is the landlord liable, unless the action violates a prior court order, for:
  - 1. Increasing rent under an escalation clause in a written lease for utilities, taxes, or insurance; or
  - 2. Increasing rent or reducing services as part of a pattern of rent increases or service reductions for an entire multidwelling project.
- B. An eviction or lease termination based on the following circumstances, which are valid grounds for eviction or lease termination, in any event, does not constitute retaliation if:

1. The tenant is delinquent in rent when the landlord gives notice to vacate or files an eviction action;

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- 2. The tenant, a member of the tenant's family, a guest, an invitee of the tenant, or an animal under control of the tenant intentionally damages property on the premises or by word or conduct threatens the personal safety of the landlord, the landlord's employees, or another tenant;
- 3. The tenant has materially breached the lease, other than by holding over, by an action such as violating written lease provisions prohibiting serious misconduct or criminal acts, except as provided by this section;
- 4. The tenant holds over after giving notice of termination or intent to vacate;
- 5. The tenant holds over after the landlord gives notice of termination at the end of the rental term, and the tenant does not take action under Section 1 of this act until after the landlord gives notice of termination; or
- 6. The tenant holds over, and the landlord's notice of termination is motivated by a good faith belief that the tenant, a member of the tenant's family, or a guest or invitee of the tenant or an animal under the control of the tenant might:
  - a. adversely affect the quiet enjoyment by other tenants or neighbors,

b. materially affect the health or safety of the landlord, other tenants, or neighbors, or

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- c. damage the property of the landlord, other tenants, or neighbors.
- SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 204 of Title 41, unless there is created a duplication in numbering, reads as follows:
- A. Except as otherwise provided in subsection B of this section, evidence that a tenant engaged in conduct described in subsection A of Section 1 of this act, within six (6) months before the landlord's alleged retaliatory conduct creates a rebuttable presumption that the purpose of the landlord's conduct was retaliation.
- B. A presumption does not arise under subsection A of this section, if the tenant engaged in conduct described subsection A of Section 1 of this act, after the landlord gave the tenant notice of the landlord's intent to engage in conduct described in subsection B of Section 1 of this act.
- C. A landlord may rebut a presumption under subsection A of this section by a preponderance of evidence showing that the landlord had sufficient justification for engaging in the conduct that created the presumption and would have engaged in the conduct in the same manner and at the same time whether or not the tenant

1 engaged in conduct described in subsection A of Section 1 of this 2 act.

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SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 205 of Title 41, unless there is created a duplication in numbering, reads as follows:

In addition to other remedies provided by law, if a landlord retaliates against a tenant under this act, the tenant may recover from the landlord a civil penalty of one month's rent plus Five Hundred Dollars (\$500.00), actual damages, court costs, and reasonable attorney fees in an action for recovery of property damages, moving costs, actual expenses, civil penalties, or declaratory or injunctive relief, less any delinquent rents or other sums for which the tenant is liable to the landlord. If the tenant's rent payment to the landlord is subsidized in whole or in part by a governmental entity, the civil penalty granted under this section shall reflect the fair market rent of the dwelling plus Five Hundred Dollars (\$500.00).

- SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 206 of Title 41, unless there is created a duplication in numbering, reads as follows:
- A. If a tenant files or prosecutes a suit for retaliatory action based on a complaint asserted under paragraph 3 of subsection A of Section 1 of this act, and the government building or housing inspector or utility company representative visits the premises and

determines in writing that a violation of a building or housing code does not exist or that a utility problem does not exist, there is a rebuttable presumption that the tenant acted in bad faith.

- B. If a tenant files or prosecutes a suit under this act in bad faith, the landlord may recover possession of the dwelling unit and may recover from the tenant a civil penalty of one month's rent plus Five Hundred Dollars (\$500.00), court costs, and reasonable attorney fees. If the tenant's rent payment to the landlord is subsidized in whole or in part by a governmental entity, the civil penalty granted under this section shall reflect the fair market rent of the dwelling plus Five Hundred Dollars (\$500.00).
- SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 207 of Title 41, unless there is created a duplication in numbering, reads as follows:
  - In an eviction suit, retaliation by the landlord under Section 1 of this act is a defense, and a rent deduction lawfully made by the tenant under Section 2 of this act is a defense for nonpayment of the rent to the extent allowed by Section 2 of this act. Other judicial actions under this act may not be joined with an eviction suit or asserted as a defense or crossclaim in an eviction suit.
- SECTION 7. AMENDATORY 41 O.S. 2021, Section 121, is amended to read as follows:
- Section 121. A. Except as otherwise provided in this act, if there is a material noncompliance by the landlord with the terms of

the rental agreement or a noncompliance with any of the provisions of Section 18 118 of this act title which noncompliance materially affects health or safety, the tenant may deliver to the landlord a written notice specifying the acts and omissions constituting the breach and that the rental agreement will terminate upon a date not less than thirty (30) days after receipt of the notice if the breach is not remedied within fourteen (14) days, and thereafter the rental agreement shall so terminate as provided in the notice unless the landlord adequately remedies the breach within the time specified.

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Except as otherwise provided in this act, if there is a В. material noncompliance by the landlord with any of the terms of the rental agreement or any of the provisions of Section 18 118 of this act title which noncompliance materially affects health and the breach is remediable by repairs, the reasonable cost of which is less than One Hundred Dollars (\$100.00) equal to or less than one month's rent, the tenant may notify the landlord in writing of his intention to correct the condition at the landlord's expense after the expiration of fourteen (14) days. If the landlord fails to comply within said fourteen (14) days, or as promptly as conditions require in the case of an emergency, the tenant may thereafter cause the work to be done in a workmanlike manner and, after submitting to the landlord an itemized statement, deduct from his or her rent the actual and reasonable cost or the fair and reasonable value of the work, not exceeding the amount specified in this subsection, in

which event the rental agreement shall not terminate by reason of that breach.

- C. Except as otherwise provided in this act, if, contrary to the rental agreement or Section 18 118 of this act title, the landlord willfully or negligently fails to supply heat, running water, hot water, electric, gas or other essential service, the tenant may give written notice to the landlord specifying the breach and thereafter may:
- 1. Upon written notice, immediately terminate the rental agreement; or
- 2. Procure reasonable amounts of heat, hot water, running water, electric, gas or other essential service during the period of the landlord's noncompliance and deduct their actual and reasonable cost from the rent; or
- 3. Recover damages based upon the diminution of the fair rental value of the dwelling unit; or
- 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.
- D. Except as otherwise provided in this act, if there is a noncompliance by the landlord with the terms of the rental agreement or Section 18 118 of this act title, which noncompliance renders the dwelling unit uninhabitable or poses an imminent threat to the

health and safety of any occupant of the dwelling unit and which noncompliance is not remedied as promptly as conditions require, the tenant may immediately terminate the rental agreement upon written notice to the landlord which notice specifies the noncompliance.

E. All rights of the tenant under this section do not arise until he <u>or she</u> 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 <u>or her</u> family, his <u>or her</u> animal or pet or other person or animal on the premises with his <u>or her</u> consent.

SECTION 8. This act shall become effective November 1, 2022.

58-2-10589 JL 02/28/22