

House Bill 3019

Sponsored by Representative CLEM

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**.

Expands provisions for tax credit and landlord payment to tenants of manufactured dwelling park to tenants who sell dwelling for loss and do not vacate park.

Applies to individuals whose household ends tenancy at manufactured dwelling park during tax years beginning on or after January 1, 2010.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to manufactured dwelling park tenants; creating new provisions; amending ORS 90.645,
3 90.650 and 316.502 and section 17, chapter 906, Oregon Laws 2007; repealing sections 81, 82, 83
4 and 88, chapter 843, Oregon Laws 2007; and prescribing an effective date.

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

6 **SECTION 1.** ORS 90.645 is amended to read:

7 90.645. (1) If a manufactured dwelling park, or a portion of the park that includes the space for
8 a manufactured dwelling, is to be closed and the land or leasehold converted to a use other than
9 as a manufactured dwelling park, and the closure is not required by the exercise of eminent domain
10 or by order of federal, state or local agencies, the landlord may terminate a month-to-month or fixed
11 term rental agreement for a manufactured dwelling park space:

12 (a) By giving the tenant not less than 365 days' notice in writing before the date designated in
13 the notice for termination; and

14 (b) By paying a tenant, for each space for which a rental agreement is terminated, one of the
15 following amounts:

16 (A) \$5,000 if the manufactured dwelling is a single-wide dwelling;

17 (B) \$7,000 if the manufactured dwelling is a double-wide dwelling; or

18 (C) \$9,000 if the manufactured dwelling is a triple-wide or larger dwelling.

19 (2) Notwithstanding subsection (1) of this section, if a landlord closes a manufactured dwelling
20 park under this section as a result of converting the park to a subdivision under ORS 92.830 to
21 92.845, the landlord:

22 (a) May terminate a rental agreement by giving the tenant not less than 180 days' notice in
23 writing before the date designated in the notice for termination.

24 (b) Is not required to make a payment under subsection (1)(b) of this section to a tenant who:

25 (A) Buys the space or lot on which the tenant's manufactured dwelling is located and does not
26 move the dwelling; or

27 (B) Sells, **for an amount at least equal to the tenant's purchase price**, the manufactured
28 dwelling to a person who buys the space or lot.

29 **(c) Must pay a tenant who sells the manufactured dwelling for less than the tenant's**
30 **purchase price the difference between the tenant's purchase price and the sale price, but no**

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 **more than the amount provided in subsection (1)(b) of this section, if the tenant does not**
2 **vacate the dwelling.**

3 (3) A notice given under subsection (1) or (2) of this section shall, at a minimum:

4 (a) State that the landlord is closing the park, or a portion of the park, and converting the land
5 or leasehold to a different use;

6 (b) Designate the date of closure; and

7 (c) Include the tax credit notice described in ORS 90.650.

8 (4) Except as provided in subsections (2) and (5) of this section, the landlord must pay a tenant
9 the full amount required under subsection (1)(b) of this section regardless of whether the tenant
10 relocates or abandons the manufactured dwelling. The landlord shall pay at least one-half of the
11 payment amount to the tenant within seven days after receiving from the tenant the notice described
12 in subsection (5)(a) of this section. The landlord shall pay the remaining amount no later than seven
13 days after the tenant ceases to occupy the space.

14 (5) Notwithstanding subsection (1) of this section:

15 (a) A landlord is not required to make a payment to a tenant as provided in subsection (1) of
16 this section unless the tenant gives the landlord not less than 30 days' and not more than 60 days'
17 written notice of the date within the 365-day period on which the tenant will cease tenancy, whether
18 by relocation or abandonment of the manufactured dwelling.

19 (b) If the manufactured dwelling is abandoned:

20 (A) The landlord may condition the payment required by subsection (1) of this section upon the
21 tenant waiving any right to receive payment under ORS 90.425 or 90.675.

22 (B) The landlord may not charge the tenant to store, sell or dispose of the abandoned manufac-
23 tured dwelling.

24 (6)(a) A landlord may not charge a tenant any penalty, fee or unaccrued rent for moving out of
25 the manufactured dwelling park prior to the end of the 365-day notice period.

26 (b) A landlord may charge a tenant for rent for any period during which the tenant occupies the
27 space and may deduct from the payment amount required by subsection (1) of this section any un-
28 paid moneys owed by the tenant to the landlord.

29 (7) A landlord may not increase the rent for a manufactured dwelling park space after giving a
30 notice of termination under this section to the tenant of the space.

31 (8) This section does not limit a landlord's right to terminate a tenancy for nonpayment of rent
32 under ORS 90.394 or for other cause under ORS 90.380 (5)(b), 90.396, 90.398 or 90.632 by complying
33 with ORS 105.105 to 105.168.

34 (9) If a landlord is required to close a manufactured dwelling park by the exercise of eminent
35 domain or by order of a federal, state or local agency, the landlord shall notify the park tenants no
36 later than 15 days after the landlord receives notice of the exercise of eminent domain or of the
37 agency order. The notice to the tenants shall be in writing, designate the date of closure, state the
38 reason for the closure, describe the tax credit available under section 17, chapter 906, Oregon Laws
39 2007, and any government relocation benefits known by the landlord to be available to the tenants
40 and comply with any additional content requirements under ORS 90.650.

41 **SECTION 2.** ORS 90.645, as amended by section 2a, chapter 906, Oregon Laws 2007, is amended
42 to read:

43 90.645. (1) If a manufactured dwelling park, or a portion of the park that includes the space for
44 a manufactured dwelling, is to be closed and the land or leasehold converted to a use other than
45 as a manufactured dwelling park, and the closure is not required by the exercise of eminent domain

1 or by order of federal, state or local agencies, the landlord may terminate a month-to-month or fixed
 2 term rental agreement for a manufactured dwelling park space:

3 (a) By giving the tenant not less than 365 days' notice in writing before the date designated in
 4 the notice for termination; and

5 (b) By paying a tenant, for each space for which a rental agreement is terminated, one of the
 6 following amounts:

7 (A) \$5,000 if the manufactured dwelling is a single-wide dwelling;

8 (B) \$7,000 if the manufactured dwelling is a double-wide dwelling; or

9 (C) \$9,000 if the manufactured dwelling is a triple-wide or larger dwelling.

10 (2) Notwithstanding subsection (1) of this section, if a landlord closes a manufactured dwelling
 11 park under this section as a result of converting the park to a subdivision under ORS 92.830 to
 12 92.845, the landlord:

13 (a) May terminate a rental agreement by giving the tenant not less than 180 days' notice in
 14 writing before the date designated in the notice for termination.

15 (b) Is not required to make a payment under subsection (1)(b) of this section to a tenant who:

16 (A) Buys the space or lot on which the tenant's manufactured dwelling is located and does not
 17 move the dwelling; or

18 (B) Sells, **for an amount at least equal to the tenant's purchase price**, the manufactured
 19 dwelling to a person who buys the space or lot.

20 (c) **Must pay a tenant who sells the manufactured dwelling for less than the tenant's**
 21 **purchase price the difference between the tenant's purchase price and the sale price, but no**
 22 **more than the amount provided in subsection (1)(b) of this section, if the tenant does not**
 23 **vacate the dwelling.**

24 (3) A notice given under subsection (1) or (2) of this section shall, at a minimum:

25 (a) State that the landlord is closing the park, or a portion of the park, and converting the land
 26 or leasehold to a different use;

27 (b) Designate the date of closure; and

28 (c) Include the tax notice described in ORS 90.650.

29 (4) Except as provided in subsections (2) and (5) of this section, the landlord must pay a tenant
 30 the full amount required under subsection (1)(b) of this section regardless of whether the tenant
 31 relocates or abandons the manufactured dwelling. The landlord shall pay at least one-half of the
 32 payment amount to the tenant within seven days after receiving from the tenant the notice described
 33 in subsection (5)(a) of this section. The landlord shall pay the remaining amount no later than seven
 34 days after the tenant ceases to occupy the space.

35 (5) Notwithstanding subsection (1) of this section:

36 (a) A landlord is not required to make a payment to a tenant as provided in subsection (1) of
 37 this section unless the tenant gives the landlord not less than 30 days' and not more than 60 days'
 38 written notice of the date within the 365-day period on which the tenant will cease tenancy, whether
 39 by relocation or abandonment of the manufactured dwelling.

40 (b) If the manufactured dwelling is abandoned:

41 (A) The landlord may condition the payment required by subsection (1) of this section upon the
 42 tenant waiving any right to receive payment under ORS 90.425 or 90.675.

43 (B) The landlord may not charge the tenant to store, sell or dispose of the abandoned manufac-
 44 tured dwelling.

45 (6)(a) A landlord may not charge a tenant any penalty, fee or unaccrued rent for moving out of

1 the manufactured dwelling park prior to the end of the 365-day notice period.

2 (b) A landlord may charge a tenant for rent for any period during which the tenant occupies the
 3 space and may deduct from the payment amount required by subsection (1) of this section any un-
 4 paid moneys owed by the tenant to the landlord.

5 (7) A landlord may not increase the rent for a manufactured dwelling park space after giving a
 6 notice of termination under this section to the tenant of the space.

7 (8) This section does not limit a landlord’s right to terminate a tenancy for nonpayment of rent
 8 under ORS 90.394 or for other cause under ORS 90.380 (5)(b), 90.396, 90.398 or 90.632 by complying
 9 with ORS 105.105 to 105.168.

10 (9) If a landlord is required to close a manufactured dwelling park by the exercise of eminent
 11 domain or by order of a federal, state or local agency, the landlord shall notify the park tenants no
 12 later than 15 days after the landlord receives notice of the exercise of eminent domain or of the
 13 agency order. The notice to the tenants shall be in writing, designate the date of closure, state the
 14 reason for the closure, describe any government relocation benefits known by the landlord to be
 15 available to the tenants and comply with any additional content requirements under ORS 90.650.

16 (10) The Office of Manufactured Dwelling Park Community Relations shall adopt rules estab-
 17 lishing a sample form for the notice described in subsection (3) of this section.

18 **SECTION 3.** Section 17, chapter 906, Oregon Laws 2007, is amended to read:

19 **Sec. 17.** (1) As used in this section:

20 (a) “Household” has the meaning given that term in ORS 310.630.

21 (b) “Manufactured dwelling” has the meaning given that term in ORS 446.003.

22 (c) “Manufactured dwelling park” means a place within this state where four or more manufac-
 23 tured dwellings are located, the primary purpose of which is to rent space or keep space for rent
 24 to any person for a charge or fee.

25 (d) “Rental agreement” means a contract under which an individual rents space in a manufac-
 26 tured dwelling park for siting a manufactured dwelling.

27 (2) A credit [*of \$5,000*] against the taxes otherwise due under this chapter is allowed to an in-
 28 dividual who:

29 (a) Rents space in a manufactured dwelling park for a manufactured dwelling that is owned and
 30 occupied by the individual as the individual’s principal residence on the date that the landlord de-
 31 livers notice that the park, or a portion of the park, is being closed and the rental agreement for
 32 the space is being terminated because of the exercise of eminent domain, by order of a federal, state
 33 or local agency or by the landlord; and

34 (b)(A) Ends tenancy at the manufactured dwelling park site in response to the delivered notice
 35 described in paragraph (a) of this subsection[.]; **or**

36 **(B) Sells the manufactured dwelling for less than the tenant’s purchase price and does**
 37 **not vacate the dwelling.**

38 **(3) The credit allowed under this section shall be equal to the lesser of:**

39 **(a) \$5,000; or**

40 **(b) The difference between the tenant’s purchase price and the sale price, if the tenant**
 41 **sells the manufactured dwelling for less than the tenant’s purchase price and the tenant does**
 42 **not vacate the dwelling.**

43 [(3)] **(4) For purposes of subsection (2) of this section:**

44 (a) Tenancy by the individual at the manufactured dwelling park site ends on the last day that
 45 a member of the individual’s household occupies the manufactured dwelling at the manufactured

1 dwelling park site; and

2 (b) Tenancy by the individual at the manufactured dwelling park site does not end if the manu-
 3 factured dwelling park is converted to a subdivision under ORS 92.830 to 92.845 and the individual
 4 buys a space or lot in the subdivision or sells the manufactured dwelling to a person who buys a
 5 space or lot in the subdivision.

6 [(4)] (5) Notwithstanding subsection (2) of this section, if the manufactured dwelling park, or a
 7 portion of the park, is being closed and the rental agreement of the individual is being terminated
 8 because of the exercise of eminent domain, the credit amount allowed to the individual is the
 9 amount described in subsection (2) of this section, reduced by any amount that was paid to the in-
 10 dividual as compensation for the exercise of eminent domain.

11 [(5)] (6) An individual may not claim more than one credit under this section for tenancies ended
 12 during the tax year.

13 [(6)] (7) If, for the year in which the individual ends the tenancy at the manufactured dwelling
 14 park, the amount of the credit allowed by this section, when added to the sum of the amounts al-
 15 lowable as payment of tax under ORS 316.187 and 316.583 plus other tax prepayment amounts and
 16 other refundable credit amounts, exceeds the taxes imposed by this chapter or ORS chapter 314 for
 17 the tax year, reduced by any nonrefundable credits allowable for purposes of this chapter for the
 18 tax year, the amount of the excess shall be refunded to the individual as provided in ORS 316.502.

19 [(7)] (8) If more than one individual in a household qualifies under this section to claim the tax
 20 credit, the qualifying individuals may each claim a share of the available credit that is in proportion
 21 to their respective gross incomes for the tax year.

22 **SECTION 4.** ORS 90.650 is amended to read:

23 90.650. (1) If a manufactured dwelling park or a portion of a manufactured dwelling park is
 24 closed, resulting in the termination of the rental agreement between the landlord of the park and
 25 a tenant renting space for a manufactured dwelling, whether because of the exercise of eminent
 26 domain, by order of a federal, state or local agency or as provided under ORS 90.645 (1), the landlord
 27 shall provide notice to the tenant of the tax credit provided under [*section 82, chapter 843, Oregon*
 28 *Laws 2007, and*] section 17, chapter 906, Oregon Laws 2007. The notice shall state the eligibility
 29 requirements for the credit, information on how to apply for the credit and any other information
 30 required by the Office of Manufactured Dwelling Park Community Relations or the Department of
 31 Revenue by rule. The notice shall also state that the closure may allow the taxpayer to appeal the
 32 property tax assessment on the manufactured dwelling.

33 (2) The office shall adopt rules establishing a sample form for the notice described in this section
 34 and the notice described in ORS 90.645 (3).

35 (3) The department, in consultation with the office, shall adopt rules establishing a sample form
 36 and explanation for the property tax assessment appeal.

37 (4) The office may adopt rules to administer this section.

38 **SECTION 5.** ORS 316.502 is amended to read:

39 316.502. (1) The net revenue from the tax imposed by this chapter, after deducting refunds, shall
 40 be paid over to the State Treasurer and held in the General Fund as miscellaneous receipts avail-
 41 able generally to meet any expense or obligation of the State of Oregon lawfully incurred.

42 (2) A working balance of unreceipted revenue from the tax imposed by this chapter may be re-
 43 tained for the payment of refunds, but such working balance shall not at the close of any fiscal year
 44 exceed the sum of \$1 million.

45 (3) Moneys are continuously appropriated to the Department of Revenue to make:

1 (a) The refunds authorized under subsection (2) of this section; and

2 (b) The refund payments in excess of tax liability authorized under ORS 315.262 and 315.266 [*and*
3 *section 82, chapter 843, Oregon Laws 2007,*] and section 17, chapter 906, Oregon Laws 2007.

4 **SECTION 6.** ORS 316.502, as amended by section 60, chapter 832, Oregon Laws 2005, section
5 86, chapter 843, Oregon Laws 2007, sections 6 and 7, chapter 868, Oregon Laws 2007, and section
6 20, chapter 906, Oregon Laws 2007, is amended to read:

7 316.502. (1) The net revenue from the tax imposed by this chapter, after deducting refunds, shall
8 be paid over to the State Treasurer and held in the General Fund as miscellaneous receipts avail-
9 able generally to meet any expense or obligation of the State of Oregon lawfully incurred.

10 (2) A working balance of unreceipted revenue from the tax imposed by this chapter may be re-
11 tained for the payment of refunds, but such working balance shall not at the close of any fiscal year
12 exceed the sum of \$1 million.

13 (3) Moneys are continuously appropriated to the Department of Revenue to make:

14 (a) The refunds authorized under subsection (2) of this section; and

15 (b) The refund payments in excess of tax liability authorized under [*section 82, chapter 843,*
16 *Oregon Laws 2007, and*] section 17, chapter 906, Oregon Laws 2007.

17 **SECTION 7. Sections 81, 82, 83 and 88, chapter 843, Oregon Laws 2007, are repealed.**

18 **SECTION 8. The amendments to ORS 90.645 and section 17, chapter 906, Oregon Laws**
19 **2007, by sections 1 to 3 of this 2009 Act apply to individuals whose household ends tenancy**
20 **at a manufactured dwelling park during tax years beginning on or after January 1, 2010.**

21 **SECTION 9. This 2009 Act takes effect on the 91st day after the date on which the reg-**
22 **ular session of the Seventy-fifth Legislative Assembly adjourns sine die.**

23