

REVENUE: No revenue impact**FISCAL: Minimal fiscal impact, no statement issued**

Action:	Do Pass
Vote:	4 - 1 - 0
Yeas:	Bonamici, George, Monroe, Shields
Nays:	Boquist
Exc.:	0
Prepared By:	Patrick Brennan, Administrator
Meeting Dates:	4/4, 4/13

WHAT THE MEASURE DOES: Changes the methods by which landlords may bill tenants for utilities or services. Declares an emergency, effective on passage.

ISSUES DISCUSSED:

- Provisions of measure
- Product of Manufactured Housing Landlord-Tenant Coalition
- Need for additional amendments once measure moves to House

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Senate Bill 772 (2009) made a number of changes to landlord-tenant law relating to manufactured dwelling parks, including changes to allowable billing methods for utilities and services such as water, sewer and garbage. There are 1,269 such parks in Oregon.

Pro rata billing for utilities refers to the practice of charging tenants, in this case tenants of manufactured housing communities, for utilities such as water on the basis of the amount used by the tenant as a proportion of the total amount used by the manufactured housing community. An alternative billing method is to charge tenants an equal percentage for water used in the entire manufactured home park; however, this method, in addition to being inequitable, also creates a disincentive for tenants to conserve water.

Senate Bill 294 outlines legislative findings related to the need to conserve water and the efficacy of pro rata billing methods for doing so. The measure stipulates that landlords of manufactured home parks with more than 199 spaces may unilaterally change rental agreements as needed in order to convert water utility or service billing to a pro rata method, provided the landlord provides written notice at least 90 days in advance of the conversion. In cases where the utility service was included as part of the tenant's rent, the rent is to be reduced on a pro rata basis, not less than the average cost allocated for the utility service over the preceding 12 months. Landlords are prohibited from passing any costs of installing, maintaining or operating any new utility systems needed for the conversion for six months. The measure contains similar provisions for pro rata billing of sewer and stormwater service.

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This summary has not been adopted or officially endorsed by action of the committee.

Committee Services Form – 2011 Regular Session