

## HB 2894 A STAFF MEASURE SUMMARY

### House Committee On Human Services and Housing

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**Action Date:** 03/11/19

**Action:** Do pass with amendments  
and be referred to Ways and Means by prior reference. (Printed A-Eng.)

**Vote:** 9-0-0-0

**Yeas:** 9 - Helt, Keny-Guyer, Meek, Mitchell, Noble, Sanchez, Schouten, Williams, Zika

**Fiscal:** Fiscal impact issued

**Revenue:** No revenue impact

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**Meeting Dates:** 3/4, 3/11

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#### WHAT THE MEASURE DOES:

Requires Oregon Housing and Community Services (OHCS) to create a manufactured home loan program for individuals to replace older and less energy efficient manufactured dwellings. Directs OHCS to prescribe energy efficiency standards, lending requirements, and loan terms. Caps loan amount at \$35,000 per individual. Establishes the Manufactured Home Replacement and Decommissioning Fund and specifies use. Appropriates \$2 million from the General Fund. Takes effect 91st day following adjournment *sine die*.

#### ISSUES DISCUSSED:

- Homeowners should borrow as much as possible from primary lenders
- Applicant must own home and land
- Availability of chattel loans
- Will assist potential homeowners with a forgivable subordinate loan to make a finance package feasible

#### EFFECT OF AMENDMENT:

Caps loan amount at \$35,000 per individual. Directs Oregon Housing and Community Services (OHCS) to prescribe energy efficiency standards, lending requirements, and loan terms.

#### BACKGROUND:

Manufactured homes are a significant source of affordable housing, but it is more difficult to obtain traditional financing to purchase a manufactured home than other single-family dwellings. In 2015, the average cost for a new single-wide manufactured dwelling in Oregon was \$50,200; \$83,600 for a double-wide. In 2017, according to Oregon Housing and Community Services, there were 170,000 manufactured homes in Oregon representing approximately 11 percent of the total housing stock.

House Bill 2894A creates a loan program to assist individuals with replacement of outdated manufactured homes.