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# OREGON RV DEALERS ASSOCIATION OPPOSES SENATE BILL 852

Senate Housing and Development Committee / April 1, 2021

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Chair Jama and Members of the Committee:

The Oregon RV Dealers Association (ORVDA) represents franchised RV dealers across Oregon.

ORVDA opposes Senate Bill 852. While we understand the intent of the bill is to reduce a tax deduction in order to redirect those funds to a newly created Oregon Housing Opportunity Account, we believe the bill will also have significant unintended consequences.

Oregon is on the leading edge of living smaller, living smarter and living more efficiently. Innovations in Oregon are driving opportunities for individuals starting out, and for retired people, to live in “less stuff, more freedom” communities. In Oregon, we sometimes refer to a subset of these people as Snowbirds. They live in Oregon part time and live elsewhere part time. These family groups frequently travel and live in RVs. They choose to downsize and buy a smaller home *coupled* with an RV for a small living lifestyle. This is a trend that Oregon law should encourage, even incentivize. HB2578 will penalize this innovating living concept, making it less affordable and less attractive by eliminating the mortgage interest deduction (MID) for what is often a very significant portion of their annual housing investment – their RV. It is an investment that they may live in longer than their “primary residence” and their RV could even be more expensive than their tiny home.

SB852 clings to an older, more traditional view of how second mortgages are acquired and used. And while this is certainly many of the second mortgages today, we strongly believe that with the right incentives, more people will adopt smaller living “split mortgages” with small, energy efficient homes coupled with an RV for mobility and flexibility.

Should SB852 become law, people adopting this lifestyle – people we want residing in Oregon – will be given a good reason to look elsewhere for their primary retirement residence, where they can deduct the mortgage for both halves of their living. Let’s keep them and their innovating thinking here in Oregon.

## Conclusion

While we acknowledge that the Oregon Housing Opportunity Account is a worthwhile venture, we do not believe its funding should occur by disincentivizing new trends of living smaller and smarter in Oregon. Let’s keep Oregon ahead of the pack in pushing the housing envelope.

ORVDA requests the Senate Housing and Development Committee *not* move Senate Bill 852 forward this session. I am happy to answer any questions. Thank you.