

HB 3054 -1 STAFF MEASURE SUMMARY

House Committee On Housing and Homelessness

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 2/3

WHAT THE MEASURE DOES:

The measure limits rent increases for renters in manufactured home parks. It also prevents landlords from requiring tenants to agree to inspections when a home is sold and new tenants to carry out aesthetic or cosmetic improvements. Additionally, the state will study water and sewer systems in these communities and report findings by 2026.

Detailed summary

Rent Increase

- Modifies how the Department of Administrative Services calculates the maximum annual rent increase percentages for the following calendar year for manufactured home parks and marinas.
- Prohibits landlords from requiring more than ten percent greater rent of the selling tenant's rent of a new owner of a manufactured dwelling or floating home that remains on a rented space.
- Limits initial rent for prospective purchasers of a manufactured dwelling or floating home.

Sales constraints

- Prohibits landlords from requiring tenants or purchasers to consent to an inspection as a condition of a sale or new tenancy.
- Allows landlords to only require prospective tenants to carry out repairs and maintenance, not aesthetic or cosmetic improvements.

Study

- Directs the Oregon Housing and Community Services Department to study the need for improvements to water and sewer or septic systems in manufactured dwelling parks and floating home marinas throughout the state and report to the Legislative Assembly by September 15, 2026.

Fiscal impact: May have fiscal impact, but no statement yet issued

Revenue impact: May have revenue impact, but no statement yet issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Clarifies that a landlord may not require that the new tenant pay rent in an amount greater than 10 percent more than the selling tenant's rent not of the selling tenant's rent. Prohibits that in addition to prohibiting a landlord from requiring a selling tenant, prospective purchaser, or a purchaser to consent to the inspection of the interior of the dwelling or home as a condition of sale, a landlord may not require that a selling tenant, prospective purchaser or purchaser consent to an inspection of the interior of the dwelling or home by a third party.

BACKGROUND:

Manufactured homes are factory-built residences that are installed in one to three sections after being delivered to residential property. The majority of the building process is automated, which reduces costs compared with site-built housing. These homes come in all size ranges and can be built to look like other single-family homes: they can have slanted roofs, be affixed to foundations, and be owned as real estate just like site-built or stick-built homes (which are assembled on their permanent house location). Roughly [two-out-of-five manufactured homeowners do not own the underlying land](#). Manufactured housing is one of the largest sources of naturally occurring affordable housing in the U.S. In Oregon, these homes make up eight percent of the state's total housing stock and 16 percent of its affordable housing, according to American Community Survey data from 2013-2017. To address manufactured housing needs, the Legislative Assembly passed [House Bill 2896 \(2019\)](#), which created two programs: one to assist nonprofits, housing authorities, and resident/tenant cooperatives in purchasing parks for sale, and another to provide loans for low-income homeowners to replace older manufactured homes with newer, energy-efficient models. These loans were limited to borrowers placing homes in parks owned by nonprofits or cooperatives. In 2021, the legislature took action to support communities affected by wildfires in rebuilding and repairing manufactured homes. [House Bill 3218 \(2021\)](#) expanded the manufactured dwelling replacement program, making loans available to those whose homes were destroyed by natural disasters. Additionally, [House Bill 3219 \(2021\)](#) addressed barriers to siting manufactured dwellings by broadening the definition of a manufactured dwelling park, allowing for the placement of relocatable prefabricated structures of certain sizes within parks. [House Bill 4064 \(2022\)](#) limited local governments from prohibiting or imposing unique placement restrictions on manufactured dwellings or prefabricated structures, both within and outside of manufactured dwelling parks, as long as they are located on land zoned for single-family residences within an urban growth boundary. The bill also prevented manufactured dwelling park landlords from requiring tenants to fund or construct specific site improvements as part of a rental agreement, while clarifying which improvements landlords could mandate to ensure safe and legal home installation. Furthermore, the measure expanded the manufactured dwelling replacement program to allow assistance for those whose homes were lost to natural disasters, regardless of whether the replacement home was sited inside or outside the affected area.

[Senate Bill 608 \(2019\)](#) capped annual residential rent increases at seven percent plus the Consumer Price Index for All Urban Consumers, West Region (All Items), as last published by the Bureau of Labor Statistics. Exceptions applied to newly constructed units, rent resets after voluntary tenant departures, government-subsidized housing, and publicly built and regulated affordable housing. [House Bill 3113 \(2021\)](#) later clarified that landlords of affordable housing units were exempt if the rent increase did not affect the tenant's portion of rent or if a tenant's income change altered their eligibility for an affordable housing program. The Oregon Office of Economic Analysis determined the maximum allowable rent increase to be 9.9 percent for 2022 and 14.6 percent for 2023. The Oregon Legislature passed [SB 611 in 2023](#), allowing the maximum allowable increase of 14.6% if the increase was issued before July 6, 2023. If the increase was issued after July 6, 2023, the maximum allowable increase was to be the lower of either 10 percent or seven percent plus the one-year change in the consumer price index. This bill also clarified that the rent cap applies to units where a tenant was evicted and restricts rent increases to once per 12-month period, except for week-to-week tenancies.