

## SUMMARY OF LC 1860

LC 1860 is a bill that Rep. Marsh's work group developed to address concerns about rent increases and related issues affecting manufactured home and floating home tenants in parks and marinas (referred to in Oregon law as "facilities").

Here is a summary of what is in the proposed bill:

1. Sections 1 and 2 amend ORS 90.324 and ORS 90.545 to limit annual rent increases for homeowners in parks and marinas to increases in the Consumer Price Index ("CPI").
  - a. Current law, for all tenancies, limits annual rent increases to the lesser of either (a) 10 percent or (b) seven percent plus CPI.
  - b. Note that as drafted the bill would not limit rent increases until January 1, 2027. That is because it does not have an emergency clause, which would be needed to make the bill go into effect before the regular effective date of 1/1/2026. And, once in effect, it works to direct the Oregon Department of Administrative Services to adopt a new rent increase cap based on the CPI by September 30 (after adoption of the bill) to be effective to limit rent increases in facilities the following year, which would be January 2027.
2. Section 3 amends ORS 90.600 regarding rent increases for facility tenancies to limit any rent charged to a new tenant who purchases a home from a former tenant to no more than ten percent of the selling tenant's rent.
3. Section 4 amends ORS 90.680 to clarify that a facility landlord may not require a selling tenant or a prospective purchaser of a home from an existing tenant to make aesthetic or cosmetic improvements to the

home as a condition of the sale, only maintenance or repair items. An example of an aesthetic or cosmetic improvement would be replacing siding which is in good shape only because the landlord prefers that it be horizontal instead of vertical, for appearance.

4. Section 4 also amends ORS 90.680 to prohibit a facility landlord from requiring a selling tenant or prospective purchaser to provide or allow an inspection of the interior of the home as a condition for accepting a notice of sale, approving a sale, or approving a purchaser as a new tenant. Under current Oregon law, landlords are not responsible for the home itself, only the space and common areas.
5. Section 5 directs OHCS to study the need for water and sewer/septic improvements in facilities throughout the state and to report to the interim housing committees in September 2026.

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