

HB 3589 -4 STAFF MEASURE SUMMARY

House Committee On Housing and Homelessness

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Meeting Dates: 3/30, 4/4

WHAT THE MEASURE DOES:

Restricts a classified and assessed historic property from use as a vacation occupancy unless it serves as a property's owner's primary residence.

FISCAL: Fiscal impact statement issued

REVENUE: No revenue impact

ISSUES DISCUSSED:

- Potential of short term rental revenue to support preservation of historic property
- Need for clarity on whether measure includes historic properties currently operating as vacation rentals
- Report on criminal activity in short-term rental properties
- Provisions in House Bill 2001 (2023) related to short-term rentals and vacation homes

EFFECT OF AMENDMENT:

-4 Replaces the measure. Establishes Short Term Rental Task Force. Directs task force to study and recommend legislation to assist local governments with regulation and taxation of short term rentals. Directs task force to consider specified benefits and impacts of proposals on housing supply and local regulatory frameworks. Describes membership and nominating entities. Clarifies members of the Legislative Assembly appointed to task force serve as nonvoting members acting in advisory capacity. Directs the Legislative Policy and Research Office to staff the task force. Requires task force to submit a report to an interim committee of the Legislative Assembly related to housing by September 15, 2024. Sunsets task force on December 31, 2024. Takes effect on 91st day following adjournment sine die.

BACKGROUND:

The National Register of Historic Places Program is run by the Oregon State Historic Preservation Office within the Oregon State Parks and Recreation Department. A tax incentive is available for up to 10 years to historic properties that have been formally listed on the National Register. The application and special assessment process are described in ORS 358.487.

Oregon Landlord and Tenant Law defines "vacation occupancy" as an occupancy that is less than 45 days in a unit that is not the occupant's principal residence. Short term rentals are not defined as such in Oregon law, though many Oregon cities and counties municipalities define a short term rental as a property or unit rented to a tenant for a period of 29 days or less, in alignment with the state's definition of transient lodging.

House Bill 3589 restricts a classified and assessed historic property from use as a vacation occupancy unless it serves as a property's owner's primary residence.