

Senate Bill 632

Sponsored by Senator ANDERSON (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires Oregon Department of Administrative Services to provide grant and loan to specified entity to develop multifamily dwellings, affordable to moderate income families, using scaled modular or prefabricated construction. Requires report to department on or before September 15, 2025.

Appropriates moneys from General Fund to department for loan and grant.

Sunset January 2, 2026.

Declares emergency, effective July 1, 2023.

A BILL FOR AN ACT

1
2 Relating to costs for moderate income modular housing; and declaring an emergency.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. (1) The Oregon Department of Administrative Services shall provide a loan**
5 **to ___ for the purpose of developing no fewer than 200 housing units divided among three**
6 **or four multifamily dwellings. The borrower shall develop at least one multifamily dwelling**
7 **in a rural, a coastal and an urban part of the state.**

8 **(2) Each multifamily dwelling developed under this section must be:**

9 **(a) Scaled modular or prefabricated construction; and**

10 **(b) Subject to an affordability restriction that maintains the properties as affordable to**
11 **households with moderate incomes, as defined in ORS 458.610, for a period of at least 30**
12 **years.**

13 **(3) The loan under subsection (1) of this section shall have a maturity date of seven years**
14 **from the date that the loan is made and bear interest at one percent per year.**

15 **(4) The department shall make a grant to the borrower receiving a loan under subsection**
16 **(1) of this section to be used to:**

17 **(a) Partner with Oregon and out-of-state modular housing companies and manufacturers**
18 **to cultivate the modular housing industry;**

19 **(b) Work with state agencies on expediting the permitting process for modular housing;**

20 **(c) Work closely with larger employers in areas in which the multifamily dwellings are**
21 **located to better understand the industry need for employee housing and challenges to pro-**
22 **viding such housing; and**

23 **(d) Create a template for the potential use of modular and prefabricated construction in**
24 **moderate income housing projects.**

25 **(5) The borrower under subsection (1) of this section shall deliver a report to the Oregon**
26 **Department of Administrative Services on or before September 15, 2025, that includes:**

27 **(a) A description of the activities and findings under this section; and**

28 **(b) An assessment of the effectiveness of the grant and loan provided under this section**
29 **and any recommendations for improvement.**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 **SECTION 2.** Section 1 of this 2023 Act is repealed on January 2, 2026.

2 **SECTION 3.** In addition to and not in lieu of any other appropriation, there is appropri-
3 ated to the Oregon Department of Administrative Services, for the biennium beginning July
4 1, 2023, out of the General Fund:

5 (1) The amount of \$22,000,000, to provide a loan under section 1 (1) of this 2023 Act.

6 (2) The amount of \$2,000,000 to provide a grant under section 1 (4) of this 2023 Act.

7 **SECTION 4.** This 2023 Act being necessary for the immediate preservation of the public
8 peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect
9 July 1, 2023.

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