HB 3144 STAFF MEASURE SUMMARY

Senate Committee On Housing and Development

Prepared By: Kaia Maclaren, LPRO Analyst

Meeting Dates: 5/5

WHAT THE MEASURE DOES:

The measure prohibits provisions in new recorded instruments or governing documents of planned communities banning the siting of manufactured dwellings or prefabricated structures when they otherwise allow residential housing. It extends, though January 2, 2031, programs providing grants for low-income facility tenant-landlord dispute resolution services, and for the Manufactured and Marina Communities Dispute Resolution Advisory Committee program.

Detailed Summary:

Renders unenforceable any ban in a recorded instrument, which otherwise allows the development of housing, that would prohibit developing, partitioning, or subdividing lands for siting a manufactured dwelling or a prefabricated structure.

Renders unenforceable any ban in a governing document that prohibit or unreasonably restrict developing or dividing land for the siting of a manufactured dwelling or a prefabricated structure, including an accessory dwelling unit.

Applies to recorded instruments or governing documents executed on or after the effective date of the act.

Extends, through January 2, 2031, grants for low-income facility tenant-dispute resolution services, and for the Manufactured and Marina Communities Dispute Resolution Advisory Committee program.

Fiscal impact: Has minimal fiscal impact Revenue impact: No revenue impact

HOUSE VOTE: Ayes, 49; Nays, 7

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

A recorded instrument affecting real property is a legal document, such as a deed or mortgage, that has been officially filed with the county recorder's office to establish, transfer, or restrict property rights. This process establishes a public record of property ownership, liens, and other interests and are enforceable under real estate law. Types of these recorded instruments include deeds (documents transferring ownership of real estate), easements (agreements granting someone the right to use part of a property for a specific purpose), and restrictive covenants (private land-use restrictions written into a deed or subdivision agreement). Governing documents are rules created by homeowner associations (HOAs) or similar entities that set regulations for properties in a community.

<u>Senate Bill (SB) 586 (2019)</u> established a program within Oregon Housing and Community Services (OHCS) to provide grants for those providing legal representation to low-income tenants residing in rent-restricted

HB 3144 STAFF MEASURE SUMMARY

affordable facilities for disputes relating to landlord/tenant law, required OHCS to adopt rules and criteria for the program, and allocated not more than \$200,000 per biennium to the fund. The law also defined disputes that would be subject to mandatory mediation under the law if either a landlord or a tenant initiated mediation (full list of mandatory mediation subjects at Oregon Revised Statute 90.767), and it established the Manufactured and Marina Communities Dispute Resolution Advisory Committee (DRAC) to advise OHCS on mandatory mediation requirements and grants. These pilot projects were extended by House Bill (HB) 3151 (2023) to run until January 2, 2027. HB 4064 (2022) prohibited local governments from restricting the siting of manufactured homes or prefabricated dwellings in areas otherwise zoned for residential use, but it did not address prohibitions in recorded instruments or in governing documents.

