

HB 3054 A STAFF MEASURE SUMMARY

Senate Committee On Housing and Development

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Meeting Dates: 5/7, 5/12, 5/19

WHAT THE MEASURE DOES:

The measure limits the maximum allowable rent increase on spaces at mobile home parks and floating home marinas to six percent annually, beginning in 2026, for those parks and marinas containing more than 30 spaces. The measure creates an exception to this rent cap, for a maximum of a 12-percent increase if approved by a majority of the tenants, when certain infrastructure upgrades are required in the park or marina. It prohibits a landlord from requiring interior inspections or aesthetic or cosmetic improvements of home as a condition for purchase.

Detailed Summary:

Rent Increases:

Limits per-space rent increases in manufactured home parks or floating home marinas to six percent for those parks for marinas contain more than 30 spaces. Creates an exception to this cap for a rental increase that is related to a significant project to add, replace, repair, or upgrade infrastructure for the facility if the increase is approved by a majority of the tenants. Requires that this exception to the rental increase cap meet the following criteria:

- must be related to a significant project to add, replace, repair, or upgrade infrastructure for the facility;
- must not be greater than 12 percent total (in-lieu of, not in addition to, any other rental increase in the same 12-month period);
- can only be employed only once within a five-year period; and
- is approved by a written affirmative vote of at least 51 percent of the occupied spaces that is collected:
 - at least 14 days after the landlord has met with the tenants to discuss the proposal, and
 - at least 30 days after the landlord has provided each tenant, in writing:
 - a description of the proposed infrastructure project;
 - the documented projected cost of the project;
 - an estimated timeline for the start date and completion date pf the project; and
 - the estimate of the rental increase required to cover the cost of the improvement project.

Requires a landlord who has raised the rent using the above exception to substantially complete the proposed infrastructure improvement project as described within 12 months of the estimated completion date given on the written notice to tenants, otherwise the landlord must refund to the tenants the difference between the actual rental increase and the standard allowable increase of 6 percent.

Criteria of Sale:

Prohibits a mobile home park or floating home marina landlord from requiring an interior inspection of a dwelling or home prior to notice of sale, approval of sale, or approval of the tenancy of a new owner. Prohibits a mobile home park or floating home marina landlord from requiring aesthetic or cosmetic improvements by a prospective tenant as a condition of tenancy.

Declares emergency, effective September 1, 2025.

Fiscal impact: Minimal fiscal impact

Revenue impact: No revenue impact

HOUSE VOTE: Ayes, 24; Nays, 35

ISSUES DISCUSSED:

- Effects on wildfire preparedness
- Current law regarding upgrade-requirements for damage and wear
- Effects on the development of manufactured home parks
- Effects on likelihood of displacement of manufactured home parks

EFFECT OF AMENDMENT:

No amendment.

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 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.

[Senate Bill 608 \(2019\)](#) capped annual residential rent increases at seven percent plus the Consumer Price Index (CPI) 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 percent 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 CPI. 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.