CHAPTER 401

AN ACT HB 2423

Relating to small homes; creating new provisions; amending ORS 197.307, 446.003, 455.010, 455.135, 455.156 and 455.610; repealing ORS 455.615; and prescribing an effective date.

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

SECTION 1. Sections 2 and 9 of this 2019 Act are added to and made a part of ORS chapter 455.

SECTION 2. (1) As used in this section, “small home” means a single family residence that is not more than 400 square feet in size.

(2) Notwithstanding ORS 455.020 and 455.030, the 2018 International Residential Code, including but not limited to Appendix Q of that code, is adopted as a Small Home Specialty Code applicable to the construction of a small home.

(3) Notwithstanding ORS 455.035 and 455.110, the Director of the Department of Consumer and Business Services shall amend the Low-Rise Residential Dwelling Code as necessary to ensure that for a small home the technical provisions of the Small Home Specialty Code adopted under this section supersed any conflicting technical provisions of the Low-Rise Residential Dwelling Code.

(4) Notwithstanding ORS 455.020 and 455.030, and subject to section 9 of this 2019 Act, the director may not adopt rules amending the Small Home Specialty Code. The director may report recommendations for amendment of the Small Home Specialty Code to an interim or regular committee of the Legislative Assembly related to business, in the manner provided under ORS 192.245.

(5) A small home must be constructed with at least one listed photoelectric smoke alarm. The alarm must be installed and located in accordance with the listing requirements specified by the manufacturer, as determined by the Department of Consumer and Business Services or the State Fire Marshal.

(6) Each small home shall be considered a single compartment for purposes of residential fire sprinkler design. The design calculation for a small home sprinkler system shall consider a maximum of two fire sprinklers. The fire sprinklers shall have a maximum combined design flow that is less than 20 gallons per minute and be served by a water meter of the standard default size for the area where the home is being sited. The residential fire sprinklers in a small home shall, for coverage purposes, be located according to the location requirements of the installation standard referenced in the 2018 International Residential Code.

(7) A municipal building official may allow increased detection and occupant notification, including the installation of heat detector unit alarms, in lieu of a fire sprinkler head for coverage purposes or in lieu of a fire sprinkler system. A building official may allow a replacement under this subsection without establishing that the increased detection and occupant notification is equivalent to a replaced sprinkler head or sprinkler system.

(8) A building official may alter, modify or waive any specialty code requirement for a small home when strict adherence to the Small Home Specialty Code is impractical or infeasible.

(9) The building permits and zoning permits for a small home shall designate the small home as a single family project. The certificate of occupancy for a small home may allow occupancy of the home only for residential use as a single family dwelling.

SECTION 3. ORS 455.010 is amended to read:

455.010. As used in this chapter, unless the context requires otherwise:

(a) “Advisory board” means the board with responsibility for assisting in the adoption, amendment or administration of a specialty code, specifically:

(A) The Building Codes Structures Board established under ORS 455.132;

(B) The Electrical and Elevator Board established under ORS 455.138;

(C) The State Plumbing Board established under ORS 455.140; or

(D) The Board of Boiler Rules established under ORS 455.145.

(b) “Appropriate advisory board” means the advisory board that has jurisdiction over a particular code, standard, license, certification or matter.

(2) “Department” means the Department of Consumer and Business Services.

(3) “Director” means the Director of the Department of Consumer and Business Services.

(4) “Low-Rise Residential Dwelling Code” means the adopted specialty code [prescribing] that, subject to section 2 of this 2019 Act, prescribes standards for the construction of residential dwellings that are three stories or less above grade and have an exterior door for each dwelling unit, but are not facilities or homes described in ORS 443.400 or transient lodging.

(5) “Municipality” means a city, county or other unit of local government otherwise authorized by law to administer a building code.

(6) “Prefabricated structure”:

(a) Means a building or subassembly that has been in whole or substantial part manufactured or
assembled using closed construction at an off-site location to be wholly or partially assembled on-site. ["Prefabricated structure" does not include]
(b) **Does not mean** a manufactured dwelling, recreational structure or recreational vehicle[,] as those terms are defined in ORS 446.003 or a small home as defined in section 2 of this 2019 Act.
(7) "Small Home Specialty Code" means the specialty code adopted under section 2 of this 2019 Act.

**SECTION 5.** ORS 455.156 is amended to read:
ORS 455.156. (1) Notwithstanding any other provision of this chapter, ORS chapter 693 or ORS 447.010 to 447.156, 447.992, 479.510 to 479.945, 479.990 or 479.995, the Department of Consumer and Business Services shall carry out the provisions of this section.

(2)(a) A municipality that establishes a building inspection program under ORS 455.148 or a plumbing inspection program under ORS 455.150 covering installations under the plumbing specialty code, or the Low-Rise Residential Dwelling Code or the Small Home Specialty Code may act on behalf of the State Plumbing Board to investigate violations of and to issue notices of proposed assessment of civil penalties for those violations.

(b) A municipality that establishes a building inspection program under ORS 455.148 or an electrical inspection program under ORS 455.150 covering installations under the electrical specialty code, or the Low-Rise Residential Dwelling Code or the Small Home Specialty Code may act on behalf of the Electrical and Elevator Board to investigate violations of and to issue notices of proposed assessment of civil penalties for those violations.

(c) A municipality that establishes a building inspection program under ORS 455.148 or 455.150 may investigate violations and enforce any provisions of the program administered by the municipality.

(3) The department shall establish:

(a) Procedures, forms and standards to carry out the provisions of this section, including but not limited to creating preprinted notices of proposed assessment of penalties that can be completed and served by municipal inspectors;

(b) A program to provide that all of the moneys recovered by the department, less collection expenses, be paid to the municipality that initiated the charges when a person charged with a violation as provided in subsection (2) of this section, other than a violation of a licensing requirement, agrees to the entry of an assessment of civil penalty or does not request a hearing, and an order assessing a penalty is entered against the person;

(c) A uniform citation process to be used in all jurisdictions of the state for violation of a licensing requirement. The process may include but need not be limited to all program areas administered by a municipality under ORS 455.148 or 455.150 and may provide a uniform method for checking license status and issuing citations for violation of a licensing requirement, and a consistent basis for enforcement of
licensing requirements and treatment of violations, including fine amounts;

(d) A program to provide a division of the moneys recovered by the department with the municipality that initiated the charges, when a person charged with a violation as provided in subsection (2) of this section, other than a violation of a licensing requirement, requests a hearing and is assessed a penalty. One-half of the amounts recovered shall be paid to the municipality. The department shall keep an amount equal to its costs of processing the proceeding and collection expenses out of the remaining one-half and remit the balance, if any, to the municipality; and

(e) A program to require municipalities to investigate violations of the department's permit requirements for plumbing installations and services under the plumbing specialty code and for plumbing and electrical installations and services under the Low-Rise Residential Dwelling Code or Small Home Specialty Code, and to:

(A) Initiate notices of proposed assessment of civil penalties as agents of the boards designated in subsection (2) of this section; and

(B) Pay the agents of the boards out of net civil penalty recoveries as if the recoveries were under paragraphs (b) and (d) of this subsection.

(4) The assessment of a civil penalty under this section by a municipality is subject to the amount limitations set forth in ORS 455.895.

(5)(a) It shall be a defense for any person charged with a penalty for violation of a building inspection program permit requirement covering plumbing installations under the plumbing specialty code, electrical permit requirements under ORS 479.550 or plumbing or electrical requirements under the Low-Rise Residential Dwelling Code or Small Home Specialty Code that the person was previously penalized for the same occurrence.

(b) A building inspection program permit requirement is a requirement contained in a specialty code or municipal ordinance or rule requiring a permit before the particular installations covered by the codes are commenced.

(c) A penalty for the same occurrence includes a combination of two or more of the following that are based on the same plumbing or electrical installation:

(A)(i) An investigative or other fee added to an electrical permit fee when a permit was obtained after the electrical installation was started;

(ii) A civil penalty pursuant to ORS 479.995 for violation of ORS 479.550 for failure to obtain an electrical permit;

(iii) A civil penalty pursuant to ORS 455.895 for failure to obtain an electrical permit under the Low-Rise Residential Dwelling Code or Small Home Specialty Code; or

(iv) A municipal penalty, other than an investigative fee, for making an electrical installation under the electrical specialty code, or the Low-Rise Residential Dwelling Code or Small Home Specialty Code without a permit; or

(B)(i) An investigative or other fee added to a plumbing permit fee when a permit was obtained after the plumbing installation was started;

(ii) A civil penalty pursuant to ORS 447.992 for failure to obtain a plumbing permit as required under the plumbing specialty code;

(iii) A civil penalty pursuant to ORS 455.895 for failure to obtain a plumbing permit under the Low-Rise Residential Dwelling Code; or

(iv) A municipal penalty, other than an investigative fee, for making a plumbing installation under the plumbing specialty code, or the Low-Rise Residential Dwelling Code or Small Home Specialty Code without a permit.

SECTION 6. ORS 455.610 is amended to read:

455.610. (1) The Director of the Department of Consumer and Business Services shall adopt, and amend as necessary, a Low-Rise Residential Dwelling Code that, except as provided in section 2 of this Act, contains all requirements, including structural design provisions, related to the construction of residential dwellings three stories or less above grade. The code provisions for plumbing and electrical requirements must be compatible with other specialty codes adopted by the director. The Electrical and Elevator Board, the Mechanical Board and the State Plumbing Board shall review, respectively, amendments to the electrical, mechanical or plumbing provisions of the code.

(2) Changes or amendments to the code adopted under subsection (1) of this section may be made when:

(a) Required by geographic or climatic conditions unique to Oregon;

(b) Necessary to be compatible with other statutory provisions;

(c) Changes to the national codes are adopted in Oregon; or

(d) Necessary to authorize the use of building materials and techniques that are consistent with nationally recognized standards and building practices.

(3) Notwithstanding ORS 455.030, 455.035, 455.110 and 455.112, the director may, at any time following appropriate consultation with the Mechanical Board or Building Codes Structures Board, amend the mechanical specialty code or structural specialty code to ensure compatibility with the Low-Rise Residential Dwelling Code.

(4) The water conservation provisions for toilets, urinals, shower heads and interior faucets adopted in the Low-Rise Residential Dwelling Code shall be the same as those adopted under ORS 447.145.

(5) The Low-Rise Residential Dwelling Code shall be adopted and amended as provided by ORS 455.030 and 455.110.

(6) The director, by rule, shall establish uniform standards for a municipality to allow an alternate method of construction to the requirements for one and two family dwellings built to the Low-Rise Residential Dwelling Code or Small Home Specialty Code.
Code in areas where the local jurisdiction determines that the fire apparatus means of approach to a property or water supply serving a property does not meet applicable fire code or state building code requirements. The alternate method of construction, which may include but is not limited to the installation of automatic fire sprinkler systems, must be approved in conjunction with the approval of an application under ORS 197.522.

(7) For lots of record existing before July 2, 2001, or property that receives any approval for partition, subdivision or construction under ORS 197.522 before July 2, 2001, a municipality allowing an alternate method of construction to the requirements for one and two family dwellings built to the Low-Rise Residential Dwelling Code or Small Home Specialty Code may apply the uniform standards established by the director pursuant to subsection (6) of this section. For property that receives all approvals for partition, subdivision or construction under ORS 197.522 on or after July 2, 2001, a municipality allowing an alternate method of construction to the requirements for one and two family dwellings built to the Low-Rise Residential Dwelling Code or Small Home Specialty Code must apply the uniform standards established by the director pursuant to subsection (6) of this section.

SECTION 7. ORS 197.307 is amended to read:
ORS 197.307. (1) The availability of affordable, decent, safe and sanitary housing opportunities for persons of lower, middle and fixed income, including housing for farmworkers, is a matter of statewide concern.

(2) Many persons of lower, middle and fixed income depend on government assisted housing as a source of affordable, decent, safe and sanitary housing.

(3) When a need has been shown for housing within an urban growth boundary at particular price ranges and rent levels, needed housing shall be permitted in one or more zoning districts or in zones described by some comprehensive plans as overlay zones with sufficient buildable land to satisfy that need.

(4) Except as provided in subsection (6) of this section, a local government may adopt and apply only clear and objective standards, conditions and procedures regulating the development of housing, including needed housing. The standards, conditions and procedures:

(a) May include, but are not limited to, one or more provisions regulating the density or height of a development;

(b) May not have the effect, either in themselves or cumulatively, of discouraging needed housing through unreasonable cost or delay.

(5) The provisions of subsection (4) of this section do not apply to:

(a) An application or permit for residential development in an area identified in a formally adopted central city plan, or a regional center as defined by Metro, in a city with a population of 500,000 or more.

(b) An application or permit for residential development in historic areas designated for protection under a land use planning goal protecting historic areas.

(6) In addition to an approval process for needed housing based on clear and objective standards, conditions and procedures as provided in subsection (4) of this section, a local government may adopt and apply an alternative approval process for applications and permits for residential development based on approval criteria regulating, in whole or in part, appearance or aesthetics that are not clear and objective if:

(a) The applicant retains the option of proceeding under the approval process that meets the requirements of subsection (4) of this section;

(b) The approval criteria for the alternative approval process comply with applicable statewide land use planning goals and rules; and

(c) The approval criteria for the alternative approval process authorize a density at or above the density level authorized in the zone under the approval process provided in subsection (4) of this section.

(7) Subject to subsection (4) of this section, this section does not infringe on a local government’s prerogative to:

(a) Set approval standards under which a particular housing type is permitted outright;

(b) Impose special conditions upon approval of a specific development proposal; or

(c) Establish approval procedures.

(8) In accordance with subsection (4) of this section and ORS 197.314, a jurisdiction may adopt any or all of the following placement standards, or any less restrictive standard, for the approval of manufactured homes located outside mobile home parks:

(a) The manufactured home shall be multisectedional and enclose a space of not less than 1,000 square feet.

(b) The manufactured home shall be placed on an excavated and back-filled foundation and enclosed at the perimeter such that the manufactured home is located not more than 12 inches above grade.

(c) The manufactured home shall have a pitched roof, except that no standard shall require a slope of greater than a nominal three feet in height for each 12 feet in width.

(d) The manufactured home shall have exterior siding and roofing which in color, material and appearance is similar to the exterior siding and roofing material commonly used on residential dwellings within the community or which is comparable to the predominant materials used on surrounding dwellings as determined by the local permit approval authority.

(e) The manufactured home shall be certified by the manufacturer to have an exterior thermal envelope meeting performance standards which reduce levels equivalent to the performance standards required of single-family dwellings constructed under the [state building] Low-Rise Residential Dwelling Code as defined in ORS 455.010.
(f) The manufactured home shall have a garage or carport constructed of like materials. A jurisdiction may require an attached or detached garage in lieu of a carport where such is consistent with the predominant construction of immediately surrounding dwellings.

(g) In addition to the provisions in paragraphs (a) to (f) of this subsection, a city or county may subject a manufactured home and the lot upon which it is sited to any development standard, architectural requirement and minimum size requirement to which a conventional single-family residential dwelling on the same lot would be subject.

SECTION 8. ORS 446.003 is amended to read:

446.003. As used in ORS 446.003 to 446.200 and 446.225 to 446.285, and for the purposes of ORS chapters 195, 196, 197, 215 and 227, the following definitions apply, unless the context requires otherwise, or unless administration and enforcement by the State of Oregon under the existing or revised National Manufactured Housing Construction and Safety Standards Act would be adversely affected, and except as provided in ORS 446.265:

(1) “Accessory building or structure” means any portable, demountable or permanent structure established for use of the occupant of the manufactured structure and as further defined by rule by the Director of the Department of Consumer and Business Services.

(2)(a) “Alteration” means any change, addition, repair, conversion, replacement, modification or removal of any equipment or installation that may affect the operation, construction or occupancy of a manufactured structure.

(b) “Alteration” does not include:

(A) Minor repairs with approved component parts;

(B) Conversion of listed fuel-burning appliances in accordance with the terms of their listing;

(C) Adjustment and maintenance of equipment;

or

(D) Replacement of equipment or accessories in kind.

(3) “Approved” means approved, licensed or certified by the Department of Consumer and Business Services or its designee.

(4) “Board” means the Residential and Manufactured Structures Board.

(5) “Cabana” means a stationary, lightweight structure that may be prefabricated, or demountable, with two or more walls, used adjacent to and in conjunction with a manufactured structure to provide additional living space.

(6) “Certification” means an evaluation process by which the department verifies a manufacturer’s ability to produce manufactured structures to the department rules and to the department approved quality control manual.

(7) “Conversion” or “to convert” means the process of changing a manufactured structure in whole or in part from one type of vehicle or structure to another.

(8) “Dealer” means any person engaged in the business of selling, leasing or distributing manufactured structures or equipment, or both, primarily to persons who in good faith purchase or lease manufactured structures or equipment, or both, for purposes other than resale.

(9) “Department” means the Department of Consumer and Business Services.

(10) “Director” means the Director of the Department of Consumer and Business Services.

(11) “Distributor” means any person engaged in selling and distributing manufactured structures or equipment for resale.

(12) “Equipment” means materials, appliances, subassembly, devices, fixtures, fittings and apparatuses used in the construction, plumbing, mechanical and electrical systems of a manufactured structure.

(13) “Federal manufactured housing construction and safety standard” means a standard for construction, design and performance of a manufactured dwelling promulgated by the Secretary of Housing and Urban Development pursuant to the federal National Manufactured Housing Construction and Safety Standards Act of 1974 (Public Law 93-383).

(14) “Fire Marshal” means the State Fire Marshal.

(15) “Imminent safety hazard” means an imminent and unreasonable risk of death or severe personal injury.

(16) “Insignia of compliance” means:

(a) For a manufactured dwelling built to HUD standards for such dwellings, the HUD label; or

(b) For all other manufactured structures, the insignia issued by this state indicating compliance with state law.

(17) “Inspecting authority” or “inspector” means the Director of the Department of Consumer and Business Services or representatives as appointed or authorized to administer and enforce provisions of ORS 446.111, 446.160, 446.176, 446.225 to 446.285, 446.310 to 446.350, 446.990 and this section.

(18) “Installation” in relation to:

(a) Construction means the arrangements and methods of construction, fire and life safety, electrical, plumbing and mechanical equipment and systems within a manufactured structure.

(b) Siting means the manufactured structure and cabana foundation support and tiedown, the structural, fire and life safety, electrical, plumbing and mechanical equipment and material connections and the installation of skirting and temporary steps.

(19) “Installer” means any individual licensed by the director to install, set up, connect, hook up, block, tie down, secure, support, install temporary steps for, install skirting for or make electrical, plumbing or mechanical connections to manufactured dwellings or cabanas or who provides consultation or supervision for any of these activities, except architects registered under ORS 671.010 to 671.220 or engineers registered under ORS 672.002 to 672.325.
(20) “Listed” means equipment or materials included in a list, published by an organization concerned with product evaluation acceptable to the department that maintains periodic inspection of production of listed equipment or materials, and whose listing states either that the equipment or materials meets appropriate standards or has been tested and found suitable in a specified manner.

(21) “Lot” means any space, area or tract of land, or portion of a manufactured dwelling park, mobile home park or recreation park that is designated or used for occupancy by one manufactured structure.

(22)(a) “Manufactured dwelling” means a residential trailer, mobile home or manufactured home.

(b) “Manufactured dwelling” does not include any building or structure constructed to conform to the State of Oregon Structural Specialty Code, [or] the Low-Rise Residential Dwelling Code adopted pursuant to ORS 455.100 to 455.450 and 455.610 to 455.630 or the Small Home Specialty Code adopted under section 2 of this 2019 Act or any unit identified as a recreational vehicle by the manufacturer.

(23) “Manufactured dwelling park” means any place where four or more manufactured dwellings are located within 500 feet of one another on a lot, tract or parcel of land under the same ownership, the primary purpose of which is to rent or lease space or keep space for rent or lease to any person for a charge or fee paid or to be paid for the rental or lease or use of facilities or to offer space free in connection with securing the trade or patronage of such person. “Manufactured dwelling park” does not include a lot or lots located within a subdivision being rented or leased for occupancy by no more than one manufactured dwelling per lot if the subdivision was approved by the local government unit having jurisdiction under an ordinance adopted pursuant to ORS 92.010 to 92.192.

(24)(a) “Manufactured home,” except as provided in paragraph (b) of this subsection, means a structure constructed for movement on the public highways that has sleeping, cooking and plumbing facilities, that is designed for human occupancy, that is being used for residential purposes and that was constructed in accordance with federal manufactured housing construction and safety standards and regulations in effect at the time of construction.

(b) For purposes of implementing any contract pertaining to manufactured homes between the department and the federal government, “manufactured home” has the meaning given the term in the contract.

(25)(a) “Manufactured structure” means a recreational vehicle, manufactured dwelling or recreational structure.

(b) “Manufactured structure” does not include any building or structure regulated under the State of Oregon Structural Specialty Code, [or] the Low-Rise Residential Dwelling Code or the Small Home Specialty Code.

(26) “Manufacturer” means any person engaged in manufacturing, building, rebuilding, altering, converting or assembling manufactured structures or equipment.

(27) “Manufacturing” means the building, rebuilding, altering or converting of manufactured structures that bear or are required to bear an Oregon insignia of compliance.

(28) “Minimum safety standards” means the plumbing, mechanical, electrical, thermal, fire and life safety, structural and transportation standards prescribed by rules adopted by the director.

(29) “Mobile home” means a structure constructed for movement on the public highways that has sleeping, cooking and plumbing facilities, that is intended for human occupancy, that is being used for residential purposes and that was constructed between January 1, 1962, and June 15, 1976, and met the construction requirements of Oregon mobile home law in effect at the time of construction.

(30) “Mobile home park” means any place where four or more manufactured structures are located within 500 feet of one another on a lot, tract or parcel of land under the same ownership, the primary purpose of which is to rent space or keep space for rent to any person for a charge or fee paid or to be paid for the rental or use of facilities or to offer space free in connection with securing the trade or patronage of such person. “Mobile home park” does not include a lot or lots located within a subdivision being rented or leased for occupancy by no more than one manufactured dwelling per lot if the subdivision was approved by the municipality unit having jurisdiction under an ordinance adopted pursuant to ORS 92.010 to 92.192.

(31) “Municipality” means a city, county or other unit of local government otherwise authorized by law to enact codes.

(32) “Recreational structure” means a campground structure with or without plumbing, heating or cooking facilities intended to be used by any particular occupant on a limited-time basis for recreational, seasonal, emergency or transitional housing purposes and may include yurts, cabins, fabric structures or similar structures as further defined, by rule, by the director.

(33) “Recreational vehicle” means a vehicle with or without motive power, that is designed for human occupancy and to be used temporarily for recreational, seasonal or emergency purposes and as further defined, by rule, by the director.

(34) “Residential trailer” means a structure constructed for movement on the public highways that has sleeping, cooking and plumbing facilities, that is intended for human occupancy, that is being used for residential purposes and that was constructed before January 1, 1962.

(35) “Sale” means rent, lease, sale or exchange.

(36) “Skirting” means a weather resistant material used to enclose the space below the manufactured structure.
(37) “Tiedown” means any device designed to anchor a manufactured structure securely to the ground.
(38) “Transitional housing accommodations” means accommodations described under ORS 446.265.
(39) “Utilities” means the water, sewer, gas or electric services provided on a lot for a manufactured structure.

SECTION 9. (1) As used in this section, “small home” means a dwelling that is not more than 400 square feet in size.
(2) The Director of the Department of Consumer and Business Services shall adopt construction standards for small homes for incorporation into the state building code. The construction standards for small homes must include, but need not be limited to, standards that:
(a) Allow sleeping lofts; and
(b) Allow the use of ladders or alternate tread devices as the primary means of egress from a sleeping loft.

SECTION 10. ORS 455.010, as amended by section 3 of this 2019 Act, is amended to read:
ORS 455.010. As used in this chapter, unless the context requires otherwise:
(1)(a) “Advisory board” means the board with responsibility for assisting in the adoption, amendment or administration of a specialty code, specifically:
(A) The Building Codes Structures Board established under ORS 455.132;
(B) The Electrical and Elevator Board established under ORS 455.138;
(C) The State Plumbing Board established under ORS 693.115;
(D) The Board of Boiler Rules established under ORS 480.535;
(E) The Residential and Manufactured Structures Board established under ORS 455.135;
(F) The Mechanical Board established under ORS 455.140; or
(G) The Construction Industry Energy Board established under ORS 455.492.
(b) “Appropriate advisory board” means the advisory board that has jurisdiction over a particular code, standard, license, certification or matter.
(2) “Department” means the Department of Consumer and Business Services.
(3) “Director” means the Director of the Department of Consumer and Business Services.
(4) “Low-Rise Residential Dwelling Code” means the adopted specialty code [that, subject to section 2 of this 2019 Act, prescribes] prescribing standards for the construction of residential dwellings that are three stories or less above grade and have an exterior door for each dwelling unit, but are not facilities or homes described in ORS 443.400 or transient lodging.

(5) “Municipality” means a city, county or other unit of local government otherwise authorized by law to administer a building code.
(6) “Prefabricated structure”:
(a) means a building or subassembly that has been in whole or substantial part manufactured or assembled using closed construction at an off-site location to be wholly or partially assembled on-site.
(b) does not mean a manufactured dwelling, recreational structure or recreational vehicle as those terms are defined in ORS 446.003 [or a small home as defined in section 2 of this Act].
(8) “State building code” means the code prescribing structural standards for building construction.
(9) “Unsafe condition” means a condition caused by earthquake which is determined by the department or any representative of the department to be dangerous to life and property. “Unsafe condition” includes but is not limited to:
(a) Any portion, member or appurtenance of a building that has become detached or dislodged or appears likely to fail or collapse and thereby injure persons or damage property; or
(b) Any portion, of a building or structure that has been damaged by earthquake, or by fire or explosion resulting from an earthquake, to the extent that the structural strength or stability of the building is substantially less than it was prior to the earthquake.

SECTION 11. ORS 455.135, as amended by section 4 of this 2019 Act, is amended to read:
ORS 455.135. (1) There is established a Residential and Manufactured Structures Board consisting of 11 members appointed by the Governor.
(2) The members of the board shall assist the Director of the Department of Consumer and Business Services in administering the low-rise residential dwelling program [and Small Home Specialty Code] described in this chapter.
(3) The board must consist of:
(a) One contractor specializing in the construction of residential structures;
(b) One contractor specializing in the remodeling of residential structures;
(c) One contractor specializing in building multifamily housing three stories or less above grade;
(d) One home designer or architect;
(e) One building official;
(f) One representative of residential building trade subcontractors;

(g) One structural engineer;

(h) One representative of a utility or energy supplier;

(i) One manufacturer of manufactured dwellings;

(j) One seller or distributor of new manufactured dwellings; and

(k) One public member who does not receive compensation from any interest represented under paragraphs (a) to (j) of this subsection.

SECTION 12. ORS 455.156, as amended by section 5 of this 2019 Act, is amended to read:

455.156. (1) Notwithstanding any other provision of this chapter, ORS chapter 693 or ORS 447.010 to 447.156, 447.992, 479.510 to 479.945, 479.990 or 479.995, the Department of Consumer and Business Services shall carry out the provisions of this section.

(2)(a) A municipality that establishes a building inspection program under ORS 455.148 or a plumbing inspection program under ORS 455.150 covering installations under the plumbing specialty code, the Low-Rise Residential Dwelling Code or the Small Home Specialty Code may act on behalf of the State Plumbing Board to investigate violations of and enforce ORS 447.040, 693.030 and 693.040 and to issue notices of proposed assessment of civil penalties for those violations.

(b) A municipality that establishes a building inspection program under ORS 455.148 or an electrical inspection program under ORS 455.150 covering installations under the electrical specialty code, the Low-Rise Residential Dwelling Code or the Small Home Specialty Code may act on behalf of the Electrical and Elevator Board to investigate violations of and enforce ORS 479.550 (1) and 479.620 and to issue notices of proposed assessment of civil penalties for those violations.

(c) A municipality that establishes a building inspection program under ORS 455.148 or 455.150 may investigate violations and enforce any provisions of the program administered by the municipality.

(3) The department shall establish:

(a) Procedures, forms and standards to carry out the provisions of this section, including but not limited to creating preprinted notices of proposed assessment of penalties that can be completed and served by municipal inspectors;

(b) A program to provide that all of the moneys recovered by the department, less collection expenses, be paid to the municipality that initiated the charges, when a person charged with a violation as provided in subsection (2) of this section, other than a violation of a licensing requirement, requests a hearing and is assessed a penalty. One-half of the amounts recovered shall be paid to the municipality. The department shall keep an amount equal to its costs of processing the proceeding and collection expenses out of the remaining one-half and remit the balance, if any, to the municipality; and

(c) A uniform citation process to be used in all jurisdictions of the state for violation of a licensing requirement. The process may include but need not be limited to all program areas administered by a municipality under ORS 455.148 or 455.150 and may provide a uniform method for checking license status and issuing citations for violation of a licensing requirement, and a consistent basis for enforcement of licensing requirements and treatment of violations, including fine amounts;

(d) A program to provide a division of the moneys recovered by the department with the municipality that initiated the charges, when a person charged with a violation as provided in subsection (2) of this section, other than a violation of a licensing requirement, requests a hearing and is assessed a penalty. One-half of the amounts recovered shall be paid to the municipality. The department shall keep an amount equal to its costs of processing the proceeding and collection expenses out of the remaining one-half and remit the balance, if any, to the municipality; and

(e) A program to require municipalities to investigate violations of the department’s permit requirements for plumbing installations and services under the plumbing specialty code and for plumbing and electrical installations and services under the Low-Rise Residential Dwelling Code or Small Home Specialty Code, and to:

(A) Initiate notices of proposed assessment of civil penalties as agents of the boards designated in subsection (2) of this section; and

(B) Pay the agents of the boards out of net civil penalty recoveries as if the recoveries were under paragraphs (b) and (d) of this subsection.

(4) The assessment of a civil penalty under this section by a municipality is subject to the amount limitations set forth in ORS 455.895.

(5)(a) It shall be a defense for any person charged with a penalty for violation of a building inspection program permit requirement covering plumbing installations under the plumbing specialty code, electrical permit requirements under ORS 479.550 or plumbing or electrical requirements under the Low-Rise Residential Dwelling Code or Small Home Specialty Code that the person was previously penalized for the same occurrence.

(b) A building inspection program permit requirement is a requirement contained in a specialty code or municipal ordinance or rule requiring a permit before the particular installations covered by the codes are commenced.

(c) A penalty for the same occurrence includes a combination of two or more of the following that are based on the same plumbing or electrical installation:

(A)(i) An investigative or other fee added to an electrical permit fee when a permit was obtained after the electrical installation was started;

(ii) A civil penalty pursuant to ORS 479.995 for violation of ORS 479.550 for failure to obtain an electrical permit;

(iii) A civil penalty pursuant to ORS 455.895 for failure to obtain an electrical permit under the Low-Rise Residential Dwelling Code or Small Home Specialty Code; or
(iv) A municipal penalty, other than an investigative fee, for making an electrical installation under the electrical specialty code, the Low-Rise Residential Dwelling Code, or the Small Home Specialty Code without a permit; or

(B)(i) An investigative or other fee added to a plumbing permit fee when a permit was obtained after the plumbing installation was started;

(ii) A civil penalty pursuant to ORS 447.992 for failure to obtain a plumbing permit as required under the plumbing specialty code;

(iii) A civil penalty pursuant to ORS 455.895 for failure to obtain a plumbing permit under the Low-Rise Residential Dwelling Code; or

(iv) A municipal penalty, other than an investigative fee, for making a plumbing installation under the plumbing specialty code, the Low-Rise Residential Dwelling Code, or the Small Home Specialty Code without a permit.

### SECTION 13. ORS 455.610, as amended by section 6 of this 2019 Act, is amended to read:

455.610. (1) The Director of the Department of Consumer and Business Services shall adopt, and amend as necessary, a Low-Rise Residential Dwelling Code that, except as provided in section 2 of this 2019 Act, contains all requirements, including structural design provisions, related to the construction of residential dwellings three stories or less above grade. The code provisions for plumbing and electrical requirements must be compatible with other specialty codes adopted by the director. The Electrical and Elevator Board, the Mechanical Board and the State Plumbing Board shall review, respectively, amendments to the electrical, mechanical or plumbing provisions of the code.

(2) Changes or amendments to the code adopted under subsection (1) of this section may be made when:

(a) Required by geographic or climatic conditions unique to Oregon;

(b) Necessary to be compatible with other statutory provisions;

(c) Changes to the national codes are adopted in Oregon; or

(d) Necessary to authorize the use of building materials and techniques that are consistent with nationally recognized standards and building practices.

(3) Notwithstanding ORS 455.030, 455.035, 455.110 and 455.112, the director may, at any time following appropriate consultation with the Mechanical Board or Building Codes Structures Board, amend the mechanical specialty code or structural specialty code to ensure compatibility with the Low-Rise Residential Dwelling Code.

(4) The water conservation provisions for toilets, urinals, shower heads and interior faucets adopted in the Low-Rise Residential Dwelling Code shall be the same as those adopted under ORS 447.020 to meet the requirements of ORS 447.145.

(5) The Low-Rise Residential Dwelling Code shall be adopted and amended as provided by ORS 455.030 and 455.110.

(6) The director, by rule, shall establish uniform standards for a municipality to allow an alternate method of construction to the requirements for one and two family dwellings built to the Low-Rise Residential Dwelling Code or Small Home Specialty Code in areas where the local jurisdiction determines that the fire apparatus means of approach to a property or water supply serving a property does not meet applicable fire code or state building code requirements. The alternate method of construction, which may include but is not limited to the installation of automatic fire sprinkler systems, must be approved in conjunction with the approval of an application under ORS 197.522.

(7) For lots of record existing before July 2, 2001, or property that receives any approval for partition, subdivision or construction under ORS 197.522 before July 2, 2001, a municipality allowing an alternate method of construction to the requirements for one and two family dwellings built to the Low-Rise Residential Dwelling Code or Small Home Specialty Code may apply the uniform standards established by the director pursuant to subsection (6) of this section. For property that receives all approvals for partition, subdivision or construction under ORS 197.522 on or after July 2, 2001, a municipality allowing an alternate method of construction to the requirements for one and two family dwellings built to the Low-Rise Residential Dwelling Code or Small Home Specialty Code must apply the uniform standards established by the director pursuant to subsection (6) of this section.

### SECTION 14. ORS 197.307, as amended by section 7 of this 2019 Act, is amended to read:

197.307. (1) The availability of affordable, decent, safe and sanitary housing opportunities for persons of lower, middle and fixed income, including housing for farmworkers, is a matter of statewide concern.

(2) Many persons of lower, middle and fixed income depend on government assisted housing as a source of affordable, decent, safe and sanitary housing.

(3) When a need has been shown for housing within an urban growth boundary at particular price ranges and rent levels, needed housing shall be permitted in one or more zoning districts or in zones described by some comprehensive plans as overlay zones with sufficient buildable land to satisfy that need.

(4) Except as provided in subsection (6) of this section, a local government may adopt and apply only clear and objective standards, conditions and procedures regulating the development of housing, including needed housing. The standards, conditions and procedures:

(a) May include, but are not limited to, one or more provisions regulating the density or height of a development.
(b) May not have the effect, either in themselves or cumulatively, of discouraging needed housing through unreasonable cost or delay.

(5) The provisions of subsection (4) of this section do not apply to:

(a) An application or permit for residential development in an area identified in a formally adopted central city plan, or a regional center as defined by Metro, in a city with a population of 500,000 or more.

(b) An application or permit for residential development in historic areas designated for protection under a land use planning goal protecting historic areas.

(6) In addition to an approval process for needed housing based on clear and objective standards, conditions and procedures as provided in subsection (4) of this section, a local government may adopt and apply an alternative approval process for applications and permits for residential development based on approval criteria regulating, in whole or in part, appearance or aesthetics that are not clear and objective if:

(a) The applicant retains the option of proceeding under the approval process that meets the requirements of subsection (4) of this section;

(b) The approval criteria for the alternative approval process comply with applicable statewide land use planning goals and rules; and

(c) The approval criteria for the alternative approval process authorize a density at or above the density level authorized in the zone under the approval process provided in subsection (4) of this section.

(7) Subject to subsection (4) of this section, this section does not infringe on a local government’s prerogative to:

(a) Set approval standards under which a particular housing type is permitted outright;

(b) Impose special conditions upon approval of a specific development proposal; or

(c) Establish approval procedures.

(8) In accordance with subsection (4) of this section and ORS 197.314, a jurisdiction may adopt any or all of the following placement standards, or any less restrictive standard, for the approval of manufactured homes located outside mobile home parks:

(a) The manufactured home shall be multisectional and enclose a space of not less than 1,000 square feet.

(b) The manufactured home shall be placed on an excavated and back-filled foundation and enclosed at the perimeter such that the manufactured home is located not more than 12 inches above grade.

(c) The manufactured home shall have a pitched roof, except that no standard shall require a slope of greater than a nominal three feet in height for each 12 feet in width.

(d) The manufactured home shall have exterior siding and roofing which in color, material and appearance is similar to the exterior siding and roofing material commonly used on residential dwellings within the community or which is comparable to the predominant materials used on surrounding dwellings as determined by the local permit approval authority.

(e) The manufactured home shall be certified by the manufacturer to have an exterior thermal envelope meeting performance standards which reduce levels equivalent to the performance standards required of single-family dwellings constructed under the [Low-Rise Residential Dwelling] state building code as defined in ORS 455.010.

(f) The manufactured home shall have a garage or carport constructed of like materials. A jurisdiction may require an attached or detached garage in lieu of a carport where such is consistent with the predominant construction of immediately surrounding dwellings.

(g) In addition to the provisions in paragraphs (a) to (f) of this subsection, a city or county may subject a manufactured home and the lot upon which it is sited to any development standard, architectural requirement and minimum size requirement to which a conventional single-family residential dwelling on the same lot would be subject.

SECTION 15. ORS 446.003, as amended by section 8 of this 2019 Act, is amended to read:

446.003. As used in ORS 446.003 to 446.200 and 446.225 to 446.285, and for the purposes of ORS chapters 195, 196, 197, 215 and 227, the following definitions apply, unless the context requires otherwise, or unless administration and enforcement by the State of Oregon under the existing or revised National Manufactured Housing Construction and Safety Standards Act would be adversely affected, and except as provided in ORS 446.265:

(1) “Accessory building or structure” means any portable, demountable or permanent structure established for use of the occupant of the manufactured structure and as further defined by rule by the Director of the Department of Consumer and Business Services.

(2)(a) “Alteration” means any change, addition, repair, conversion, replacement, modification or removal of any equipment or installation that may affect the operation, construction or occupancy of a manufactured structure.

(b) “Alteration” does not include:

(A) Minor repairs with approved component parts;

(B) Conversion of listed fuel-burning appliances in accordance with the terms of their listing;

(C) Adjustment and maintenance of equipment; or

(D) Replacement of equipment or accessories in kind.

(3) “Approved” means approved, licensed or certified by the Department of Consumer and Business Services or its designee.

(4) “Board” means the Residential and Manufactured Structures Board.

(5) “Cabana” means a stationary, lightweight structure that may be prefabricated, or demountable, with two or more walls, used adjacent to and in
conjunction with a manufactured structure to provide additional living space.

(6) “Certification” means an evaluation process by which the department verifies a manufacturer's ability to produce manufactured structures to the department rules and to the department approved quality control manual.

(7) “Conversion” or “to convert” means the process of changing a manufactured structure in whole or in part from one type of vehicle or structure to another.

(8) “Dealer” means any person engaged in the business of selling, leasing or distributing manufactured structures or equipment, or both, primarily to persons who in good faith purchase or lease manufactured structures or equipment, or both, for purposes other than resale.

(9) “Department” means the Department of Consumer and Business Services.

(10) “Director” means the Director of the Department of Consumer and Business Services.

(11) “Distributor” means any person engaged in selling and distributing manufactured structures or equipment for resale.

(12) “Equipment” means materials, appliances, subassembly, devices, fixtures, fittings and apparatus used in the construction, plumbing, mechanical and electrical systems of a manufactured structure.

(13) “Federal manufactured housing construction and safety standard” means a standard for construction, design and performance of a manufactured dwelling promulgated by the Secretary of Housing and Urban Development pursuant to the federal National Manufactured Housing Construction and Safety Standards Act of 1974 (Public Law 93-383).


(15) “Imminent safety hazard” means an imminent and unreasonable risk of death or severe personal injury.

(16) “Insignia of compliance” means:
   (a) For a manufactured dwelling built to HUD standards for such dwellings, the HUD label; or
   (b) For all other manufactured structures, the insignia issued by this state indicating compliance with state law.

(17) “Inspecting authority” or “inspector” means the Director of the Department of Consumer and Business Services or representatives as appointed or authorized to administer and enforce provisions of ORS 446.111, 446.160, 446.176, 446.225 to 446.285, 446.310 to 446.350, 446.990 and this section.

(18) “Installation” in relation to:
   (a) Construction means the arrangements and methods of construction, fire and life safety, electrical, plumbing and mechanical equipment and systems within a manufactured structure.
   (b) Siting means the manufactured structure and cabana foundation support and tiedown, the structural, fire and life safety, electrical, plumbing and mechanical equipment and material connections and the installation of skirting and temporary steps.

(19) “Installer” means any individual licensed by the director to install, set up, connect, hook up, block, tie down, secure, support, install temporary steps for, install skirting for or make electrical, plumbing or mechanical connections to manufactured dwellings or cabanas or who provides consultation or supervision for any of these activities, except architects registered under ORS 671.010 to 671.220 or engineers registered under ORS 672.002 to 672.325.

(20) “Listed” means equipment or materials included in a list, published by an organization concerned with product evaluation acceptable to the department that maintains periodic inspection of production of listed equipment or materials, and whose listing states that the equipment or materials meets appropriate standards or has been tested and found suitable in a specified manner.

(21) “Lot” means any space, area or tract of land, or portion of a manufactured dwelling park, mobile home park or recreation park that is designated or used for occupancy by one manufactured structure.

(22)(a) “Manufactured dwelling” means a residential trailer, mobile home or manufactured home.
   (b) “Manufactured dwelling” does not include any building or structure constructed to conform to the State of Oregon Structural Specialty Code[,] or the Low-Rise Residential Dwelling Code adopted pursuant to ORS 455.100 to 455.450 and 455.610 to 455.630 [or the Small Home Specialty Code adopted under section 2 of this 2019 Act] or any unit identified as a recreational vehicle by the manufacturer.

(23) “Manufactured dwelling park” means any place where four or more manufactured dwellings are located within 500 feet of one another on a lot, tract or parcel of land under the same ownership, the primary purpose of which is to rent or lease space or keep space for rent or lease to any person for a charge or fee paid or to be paid for the rental or lease or use of facilities or to offer space free in connection with securing the trade or patronage of such person. “Manufactured dwelling park” does not include a lot or lots located within a subdivision being rented or leased for occupancy by no more than one manufactured dwelling per lot if the subdivision was approved by the local government unit having jurisdiction under an ordinance adopted pursuant to ORS 92.010 to 92.192.

(24)(a) “Manufactured home,” except as provided in paragraph (b) of this subsection, means a structure constructed for movement on the public highways that has sleeping, cooking and plumbing facilities, that is intended for human occupancy, that is being used for residential purposes and that was constructed in accordance with federal manufactured housing construction and safety standards and regulations in effect at the time of construction.
   (b) For purposes of implementing any contract pertaining to manufactured homes between the department and the federal government, “manufactured home” has the meaning given the term in the contract.
(25)(a) “Manufactured structure” means a recreational vehicle, manufactured dwelling or recreational structure.
(b) “Manufactured structure” does not include any building or structure regulated under the State of Oregon Structural Specialty Code, or the Low-Rise Residential Dwelling Code or the Small Home Specialty Code.

(26) “Manufacturer” means any person engaged in manufacturing, building, rebuilding, altering, converting or assembling manufactured structures or equipment.

(27) “Manufacturing” means the building, rebuilding, altering or converting of manufactured structures that bear or are required to bear an Oregon insignia of compliance.

(28) “Minimum safety standards” means the plumbing, mechanical, electrical, thermal, fire and life safety, structural and transportation standards prescribed by rules adopted by the director.

(29) “Mobile home” means a structure constructed for movement on the public highways that has sleeping, cooking and plumbing facilities, that is intended for human occupancy, that is being used for residential purposes and that was constructed between January 1, 1962, and June 15, 1976, and met the construction requirements of Oregon mobile home law in effect at the time of construction.

(30) “Mobile home park” means any place where four or more manufactured structures are located within 500 feet of one another on a lot, tract or parcel of land under the same ownership, the primary purpose of which is to rent space or keep space for rent to any person for a charge or fee paid or to be paid for the rental or use of facilities or to offer space free in connection with securing the trade or patronage of such person. “Mobile home park” does not include a lot or lots located within a subdivision being rented or leased for occupancy by no more than one manufactured dwelling per lot if the subdivision was approved by the municipality unit having jurisdiction under an ordinance adopted pursuant to ORS 92.010 to 92.192.

(31) “Municipality” means a city, county or other unit of local government otherwise authorized by law to enact codes.

(32) “Recreational structure” means a camp-ground structure with or without plumbing, heating or cooking facilities intended to be used by any particular occupant on a limited-time basis for recreational, seasonal, emergency or transitional housing purposes and may include yurts, cabins, fabric structures or similar structures as further defined, by rule, by the director.

(33) “Recreational vehicle” means a vehicle with or without motive power, that is designed for human occupancy and to be used temporarily for recreational, seasonal or emergency purposes and as further defined, by rule, by the director.

(34) “Residential trailer” means a structure constructed for movement on the public highways that has sleeping, cooking and plumbing facilities, that is intended for human occupancy, that is being used for residential purposes and that was constructed before January 1, 1962.

(35) “Sale” means rent, lease, sale or exchange.

(36) “Skirting” means a weather resistant material used to enclose the space below the manufactured structure.

(37) “Tiedown” means any device designed to anchor a manufactured structure securely to the ground.

(38) “Transitional housing accommodations” means accommodations described under ORS 446.265.

(39) “Utilities” means the water, sewer, gas or electric services provided on a lot for a manufactured structure.

SECTION 16. ORS 455.615 is repealed.

SECTION 17. Section 2 of this 2019 Act is repealed.

SECTION 18. Section 9 of this 2019 Act, the amendments to ORS 197.307, 446.003, 455.010, 455.135, 455.156 and 455.610 by sections 10 to 15 of this 2019 Act and the repeal of section 2 of this 2019 Act by section 17 of this 2019 Act become operative on January 2, 2026.

SECTION 19. This 2019 Act takes effect on October 1, 2019.

Approved by the Governor June 17, 2019
Filed in the office of Secretary of State June 18, 2019
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