

Housing

Oregon Legislative Policy and Research Office | 79th Legislative Assembly

March 19, 2018

The 2018 Summary of Legislation – Housing summarizes selected measures related to this policy area that were considered by the 79th Oregon Legislative Assembly, including bills, memorials, and resolutions. This publication will become part of a more comprehensive 2018 Summary of Legislation that includes all topic area summaries and committee membership lists.

This publication begins with a table highlighting measures that establish task forces or create reporting requirements. The summaries of selected measures follow in three groups—bills, memorials, and resolutions—each listed in numerical order.

Each summary provides information on the chief sponsors, committees assigned, background and current law, description of the measure, and date when the measure, if enacted, becomes effective. Each summary also includes a link to the measure on the <u>Oregon Legislative Information System</u> (<u>OLIS</u>), which provides a more comprehensive staff measure summary, all versions of the measure, amendments, public testimony, a complete measure history, and final vote tallies.

The 2018 Summary of Legislation focuses on policy measures. Information on revenue measures is available on the <u>Legislative Revenue Office website</u>. Information on the state budget and selected legislation that impacts state agencies is available on the <u>Legislative Fiscal Office website</u>.

The Legislative Policy and Research Office will update this publication with each bill's effective date and assigned chapter in Oregon Laws 2018 when that information becomes available.

Contact information: Legislative Policy and Research Office 900 Court Street NE, Room 453 Salem, OR 97301

503-986-1813

https://www.oregonlegislature.gov/lpro_



HOUSING TASK FORCES AND REPORTING REQUIREMENTS

The following bills created task forces and reporting requirements. Additional information is provided in the bill summaries.

Bill Number	Requirement	Deadline
HB 4006	The governing body of a city with a population over 10,000 is required to submit a report to the Department of Land Conservation and Development annually on the number of housing units permitted and produced during the preceding year.	Annually by February 1st
HB 4010	The Task Force on Addressing Racial Disparities in Home Ownership must report recommendations for legislation to an interim committee on housing.	September 15, 2019

House Bill 4006

Effective Date: April 3, 2018

Rent Burdened Community Survey

Chief Sponsors: Rep. Kotek

Committees: House Human Services and Housing, Joint Ways and Means

Background and Current Law: According to the U.S. Census Bureau, approximately 26.4 percent of Oregonians were severely rent burdened in 2015. The U.S. Department of Housing and Urban Development defines "severely rent burdened" as experiencing housing costs exceeding 50 percent of the household's reported income.

Bill Summary: House Bill 4006 requires cities with populations greater than 10,000, with more than 25 percent of renter households experiencing severe rent burden, to complete a survey related to housing affordability and to hold at least one public meeting regarding severe rent burden. The Oregon Housing and Community Services Department is directed to develop a survey for these cities to provide information on housing affordability, including actions related to land use and any intended actions to reduce rent burdens for severely rent-burdened households. Additionally, cities with populations greater than 10,000 are required to report annually to the Department of Land Conservation and Development on the total number of housing units permitted and produced.

Oregon Laws 2018: Chapter 47

House Bill 4007

Effective Date: June 2, 2018

First-Time Home Buyer Savings Account and Document Recording Fee

At the request of: House Interim Committee on Human Services and Housing

Committees: House Human Services and Housing, House Revenue, Joint Ways and Means

Background and Current Law: Oregon has seen some of the fastest-growing rent increases in the country in recent years. Studies identify low vacancy rates, high demand, and increasing property prices as factors in rising rents. Oregon Housing and Community Services (OHCS) oversees several housing assistance programs assisting low- to moderate-income families. Other states also have first-time home buyer assistance programs such as savings account programs. Funds in these accounts are used for costs associated with first-time home purchases.

In Oregon, document recording is done by county clerks for certain real property records including mortgages and contracts affecting the title to real property. Currently, the document recording fee includes a \$20 affordable housing fee, and the funds are used for multiple housing programs. In 2017, OHCS received and distributed over \$15 million through these programs.

Bill Summary: House Bill 4007 allows individuals to establish first-time home buyer savings accounts and increases the document recording fee for affordable housing from \$20 to \$60 to fund housing-related programs in Oregon.

Oregon Laws 2018: Chapter 109

House Bill 4010

Effective Date: April 13, 2018

Racial Disparities in Home Ownership

Chief Sponsors: Reps. Meek, Bynum; Sen. Manning Jr.; Reps. Hernandez, Parrish, Power, Sanchez; Sen. Frederick

Committees: House Human Services and Housing, Joint Ways and Means

Background and Current Law: Oregon Housing and Community Services reports decreasing home ownership rates across the state from 2000 to 2015 for all Oregonians. According to the U.S. Census Bureau's American Community Survey, individuals identifying as Pacific Islander (23 percent) or African American (30 percent) accounted for the lowest home ownership rates in Oregon in 2014. Other racial and ethnic minorities also experienced low home ownership rates in 2014.

Bill Summary: House Bill 4010 establishes the 11-member Task Force on Addressing Racial Disparities in Home Ownership, charged with making recommendations for changes in lending practices to eliminate discrimination and remove barriers to home ownership for people of color in Oregon.

Oregon Laws 2018: Chapter 110

House Bill 4085

Not Enacted

Court Awards in Landlord-Tenant Law Disputes

Chief Sponsors: Rep. Power

Committees: House Human Services and Housing

Background and Current Law: When issues arise between landlords and tenants, they are generally required to notify the other party in writing within a certain time frame, and a reasonable amount of time is typically allowed for correction. If an issue is not resolved, either party may bring an action in court. Current law allows courts to award costs, necessary disbursements, and attorney's fees to prevailing parties in such actions regardless of rental agreements.

Bill Summary: House Bill 4085 would have directed courts to award costs, necessary disbursements, and attorney's fees as follows: to prevailing tenants without qualification; to prevailing landlords if the tenant had no reasonable basis to file; and in the court's discretion, to prevailing landlords generally.

House Bill 4121-A

Home Weatherization, Retrofit, and Affordability Program

Chief Sponsors: Rep. Marsh

Committees: House Economic Development and Trade, Joint Ways and Means

Background and Current Law: Oregon Housing and Community Services (OHCS) has developed programs and services to support housing stability and promote energy improvement. Locally administered weatherization programs help lower income residents reduce heating costs while improving the efficiency and condition of their homes. Homeowners previously used Oregon's Residential Energy Tax Credits, which ended in 2017, to improve residential energy efficiency. The Small-Scale Energy Loan Program also previously provided long-term fixed rate loans for Oregon energy projects.

Bill Summary: House Bill 4121-A would have required Oregon Housing and Community Services to establish and administer a program to provide incentive payments, funding, and grants for certain energy improvement projects. Incentive payments would have been made directly to construction contractors for qualified projects. The bill would have required OHCS to reserve a portion of program funding for energy efficiency, weatherization, solar technology, and affordable housing activities.

House Bill 4134

Effective Date: March 16, 2018

Petitions to Remove Discriminatory Restrictions from Real Property Titles

Chief Sponsors: Reps. Keny-Guyer, Fahey, Vial, Meek; Sens. Frederick, Winters

Committees: House Human Services and Housing, Senate Human Services

Background and Current Law: The federal Fair Housing Act (Title VIII of the Civil Rights Act of 1968) prohibits discrimination in the sale, rental, and financing of dwellings based on race, color, religion, sex, or national origin. Similarly, state law prohibits a title of real property from restricting the use of the property by reason of race, color, religion, sex, sexual orientation, national origin, or disability. Because of these state and federal prohibitions, any discriminatory language existing in a real property title is unenforceable, but the language sometimes remains in the title itself.

Bill Summary: House Bill 4134 provides a legal procedure for petitioning a court for removal of discriminatory restrictions in a title of real property.

Oregon Laws 2018: Chapter 35

House Joint Resolution 201

Filed with Secretary of State

Local Bonds for Affordable Housing Projects

At the request of: House Interim Committee on Human Services and Housing

Committees: House Human Services and Housing, Senate Human Services, Senate Rules

Background and Current Law: Bonds are debt instruments issued by an entity with a promise to repay the original amount of the bond plus interest over a designated time. The state's authority to authorize bonds comes from constitutional and statutory provisions. Issuance of bonds is used to finance public investments. Article XI, section 9 of the Oregon Constitution prohibits a county or city from assisting corporations by becoming a stockholder in, raising money for, or loaning the state's credit to any joint company, corporation, or association.

Bill Summary: House Joint Resolution 201 refers to the voters, for their approval or rejection at the next general election, an amendment to the Oregon Constitution that exempts affordable housing-related bonds from the prohibitions in Article XI, section 9, if certain conditions are met.