

**Enrolled**  
**Senate Bill 222**

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CHAPTER .....

AN ACT

Relating to community housing; creating new provisions; and amending ORS 426.502 and 426.504.

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

**SECTION 1.** ORS 426.502 is amended to read:

426.502. As used in ORS 426.502 to 426.508:

- (1) "Chronically mentally ill" has the meaning given that term in ORS 426.495.
- (2) "Community housing" means property and related equipment that are used or could be used to house chronically mentally ill persons **and their care providers**. "Community housing" includes [only] **single-family housing and** multiple-unit residential housing [occupied by only chronically mentally ill persons].
- (3) "Construct" means to build, install, assemble, expand, alter, convert, replace or relocate. "Construct" includes to install equipment and to prepare a site.
- (4) "Department" means the Department of Human Services.
- (5) "Equipment" means furnishings, fixtures or appliances that are used or could be used to provide care in community housing.
- (6) "Multiple-unit residential housing" means housing that provides [four] **two** or more living units and spaces for common use by the occupants in social and recreational activities. "Multiple-unit residential housing" may include nonhousing facilities incidental or appurtenant to the housing that, in the determination of the department, improve the quality of the housing.
- (7) **"Single-family housing" means a detached living unit with common living room and dining facilities for at least three occupants with chronic mental illness. "Single-family housing" may include nonhousing facilities incidental or appurtenant to the housing that, in the determination of the department, improve the quality of the housing.**

**SECTION 2.** ORS 426.504, as amended by section 281, chapter 794, Oregon Laws 2003, is amended to read:

426.504. (1) The Department of Human Services may, through contract or otherwise, acquire, purchase, receive, hold, exchange, demolish, construct, lease, maintain, repair, replace, improve and equip community housing for the purpose of housing chronically mentally ill persons.

(2) The department may dispose of community housing acquired under subsection (1) of this section in a public or private sale, upon such terms and conditions as the department considers advisable to increase the quality and quantity of community housing available for chronically mentally ill persons. **Except as provided in subsection (3) of this section,** in any instrument convey-

ing fee title to community housing, the department shall include language that restricts the use of the community housing to housing for chronically mentally ill persons. Such restriction is not a violation of ORS 93.270.

**(3) If the department determines that community housing acquired under subsection (1) of this section is no longer suitable for use as community housing, the department may sell or otherwise dispose of the community housing without including in any instrument conveying fee title to the community housing any language that restricts the use of the community housing. Proceeds from the sale or disposition of community housing under this subsection are considered proceeds described in ORS 426.506 (4)(c).**

[3] (4) When exercising the authority granted to the department under this section, the department is not subject to ORS chapter 273 or ORS 270.100 to 270.190, 276.900 to 276.915 or 279A.250 to 279A.290.

**SECTION 3. The amendments to ORS 426.502 and 426.504 by sections 1 and 2 of this 2005 Act apply to community housing acquired, purchased, received, held, exchanged, demolished, constructed, leased, maintained, repaired, replaced, improved, equipped, sold or otherwise disposed of on or after the effective date of this 2005 Act.**

**Passed by Senate February 3, 2005**

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Secretary of Senate

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President of Senate

**Passed by House March 3, 2005**

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Speaker of House

**Received by Governor:**

.....M.,....., 2005

**Approved:**

.....M.,....., 2005

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Governor

**Filed in Office of Secretary of State:**

.....M.,....., 2005

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Secretary of State