

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action: Do Pass as Amended and Be Printed Engrossed

Vote: 4 - 0 - 1

Yeas: Bonamici, Dingfelder, Whitsett, Prozanski

Nays: 0

Exc.: Boquist

Prepared By: Anna Braun, Counsel

Meeting Dates: 1/20, 3/12

WHAT THE MEASURE DOES: Requires trustee to record affidavits of mailing and service given to grantor required in a foreclosure. Adds a 60 day time limit for grantor to assert that notice was not given. Changes reference to property upon which a trust deed was foreclosed from the statutory reference of section 20, chapter 19, Oregon Laws 2008 because after foreclosure a property is no longer subject to the trust deed. Declares an emergency, effective on passage.

ISSUES DISCUSSED:

- Provisions of the measure

EFFECT OF COMMITTEE AMENDMENT: Increases time for grantor to inform that notice was not given from 30 days to 60 days. Changes reference to property upon which a trust deed was foreclosed from the statutory reference of section 20, chapter 19, Oregon Laws 2008 because after foreclosure a property is no longer subject to the trust deed.

BACKGROUND: The 2008 legislature passed HB 3630 giving homeowners facing a foreclosure notice of their rights. If the notice is not sent and a grantor did not have actual notice at least 25 days before the foreclosure sale, then the grantor obtains the same rights as a holder of a junior interest or lien who was omitted as a party defendant in a judicial foreclosure. Problems have arisen because title companies have no way of knowing when notice was given, and there is no time limit to assert notice was not given, resulting in an unlimited right of redemption. SB 239A provides a mechanism for proving the notice was given and a time limit for asserting the notice was not given.