

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action: Do Pass as Amended and Be Printed Engrossed

Vote: 5 - 0 - 0

Yeas: Bonamici, Boquist, George, Monroe, Shields

Nays: 0

Exc.: 0

Prepared By: Patrick Brennan, Administrator

Meeting Dates: 3/23, 4/18

WHAT THE MEASURE DOES: Modifies requirements for notice of foreclosure and termination of tenancy for residential dwellings in foreclosure.

ISSUES DISCUSSED:

- Protections for tenants of properties in foreclosure
- Product of Landlord-Tenant Work Group

EFFECT OF COMMITTEE AMENDMENT: Replaces original measure.

BACKGROUND: The Legislative Assembly adopted legislation in 2009 and 2010 designed to provide additional rights to tenants living in residential properties subject to foreclosure sale. Prior to passage of Senate Bill 952 (2009), once a property was foreclosed, tenants were given 30 days notice of the intent to remove them in preparation for sale; that measure granted tenants additional notice and provided for the return of prepaid rent and security deposits. The application of the notice requirements was further clarified with passage of Senate Bill 1013 (2010).

Senate Bill 491-A further modifies the requirements for notice of foreclosure and termination of tenancy for residential dwellings in foreclosure. The measure makes state law consistent with federal law with regard to notice periods. Additional provisions include: a revised definition of “bona fide tenancy”; tenants are not required to provide written evidence prior to qualifying for protection; purchasers must show proper notice was provided before proceeding with eviction, with lack of proper notice being a defense for tenants; purchasers must provide notice within 30 days of sale date that includes their name and contact information, as well as information about tenant rights; and clarification of applicability to dwellings subject to ORS chapter 90.