

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	7 - 0 - 1
Yeas:	Clem, Conger, Matthews, Sheehan, Smith J., Holvey, Whisnant
Nays:	0
Exc.:	Cameron
Prepared By:	Jan Nordlund, Administrator
Meeting Dates:	5/17, 5/26, 5/31

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

ISSUES DISCUSSED:

- Protection of tenants
- Alignment of federal and state law

EFFECT OF COMMITTEE AMENDMENT: Deletes language inadvertently added during drafting.

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-B further modifies the requirements for notice of foreclosure and termination of tenancy for residential dwellings in foreclosure. The measure conforms state law to federal law with regard to notice periods. When the federal law sunsets in 2014, the notice periods will revert to the current state requirements. Additional provisions include: revised definition of “bona fide tenancy”; elimination of requirement that tenants provide written evidence prior to qualifying for protection; requirement that purchasers show proper notice was provided before proceeding with eviction, with lack of proper notice being a defense for tenants; requirement that purchasers 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.