



**DIANE ROSENBAUM**

SENATE MAJORITY LEADER

**TO:** Chair Shields, members of the Senate General Government, Consumer and Small Business Protection Committee

**From:** Senator Diane Rosenbaum

**Date:** February 27<sup>th</sup>, 2013

**RE:** Testimony in Support of SB 558

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Chair Shields, members of the committee,

Thank you for the opportunity to testify in support of Senate Bill 558.

In the 2012 session, we responded to a true housing crisis by passing SB 1552 on a substantial bipartisan vote. We are back here today to make sure that the program works and ensure that the thousands of homeowners still facing threats of foreclosure are granted the option of mediation.

There are many Oregonians still struggling to stay in their homes because of the foreclosure crisis. This is a real problem that we must continue to address.

Building off the foundation of the legislation passed just over a year ago in February 2012, Senate Bill 558 will strengthen the foreclosure avoidance program by expanding it to include judicial foreclosures. This change will ensure that all Oregonians at risk of foreclosure have the opportunity to sit down with their lender and a neutral third party, regardless of the type of foreclosure process the lender pursues.

The foreclosure process, whether in or out of court, is both foreign and inaccessible for struggling homeowners. The judicial foreclosure process is challenging to navigate, so requiring that a simple meeting take place before heading to court is a clear way to help Oregon families trying to keep afloat. Oregon offers many resources for homeowners when they hit trouble, but bringing both parties to the table with a mediator can help find a way to avoid foreclosure to the benefit of both parties.

One of my constituents, Marie Strausbaugh of Milwaukie, is here to tell us about her recent experience with a lender. Her story is a great example of why we really need to make the foreclosure mediation program work.

State Senator, District 21  
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Marie consistently paid her mortgage on time, even as her loan was sold to another lender. Through no fault of her own, Marie found herself at risk of foreclosure because her lender had lost the payment. Simple mediation would have offered a golden opportunity for Marie and her lender to figure this out. Instead, Marie and her family have had to endure a painful and drawn-out saga to simply keep their home.

I urge the committee to fulfill the promise of Oregon's mediation program by passing Senate Bill 558. The benefits of mediation should be extended to all homeowners at risk of foreclosure, and we must act now to give middle class families like Marie's the opportunity they deserve to keep a roof over their heads.

Sincerely,

A handwritten signature in cursive script that reads "Diane Rosenbaum".

Senator Diane Rosenbaum  
Senate District 21