

**REVENUE:** No revenue impact

**FISCAL:** Minimal fiscal impact, no statement issued

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<b>Action:</b>	Do Pass the A-Engrossed Measure
<b>Vote:</b>	3 - 2 - 0
<b>Yeas:</b>	Monnes Anderson, Prozanski, Shields
<b>Nays:</b>	Baertschiger, George
<b>Exc.:</b>	0
<b>Prepared By:</b>	Channa Newell, Administrator
<b>Meeting Dates:</b>	5/22

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**WHAT THE MEASURE DOES:** Prohibits neglect of foreclosed residential property by owner. Allows local government to remedy neglect, should owner fail to do so, and provides local government with lien upon property. Requires owner provide local government or neighborhood association with owner's contact information and post durable notice on residential real property of telephone number to call to report neglect. Allows local government to notify owner of neglect of property and require remedy of neglect. Defines "neglect." Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

- Difficulty in identifying owner of foreclosed properties
- Problems across states of vacant foreclosures becoming drug labs, fire hazards, or other nuisance
- Local government absorb costs of resolving nuisance because owner could not be found
- History of measure and amendment
- Obligation to pay for maintenance attaches to the property
- Differences between rural and urban foreclosure nuisances

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** The collapse of the housing market in 2008 caused an increase in foreclosure filings across the state. Since 2008, more than 54,000 foreclosures occurred in Oregon, with many foreclosed properties unoccupied for long periods of time. One recent study indicated that of the vacant foreclosed homes in Oregon, the prior tenants or owners had not left a forwarding address 45 percent of the time. Vacant homes may be an eyesore in neighborhoods and may create a nuisance. If a local government, such as a city, cannot locate the owner of the property, it may be difficult to remedy the nuisances created by vacant property.

House Bill 2662-A prohibits property owners from neglecting property in foreclosure. The measure requires the owner of the property to post contact information on the house, and to give such information to the local government or neighborhood association. Additionally, should neglect or nuisance arise on the property, the local government may require the owner to remedy the situation. If the owner does not provide a timely remedy, the local government is authorized to address the nuisance and attach a lien against the property for costs.