



DEPARTMENT OF JUSTICE
OFFICE OF THE ATTORNEY GENERAL

MEMORANDUM

DATE: March 5, 2015

TO: Honorable Diane Rosenbaum, Chair
Senate Committee on Rules

FROM: Aaron Knott, Legislative Director

SUBJECT: SB 56 – Statewide Lien Registry

This testimony is presented to provide technical feedback regarding SB 56. This bill creates a statewide lien registry for judgments, administrative orders and warrants in favor of the State. Presently, an agency must record its lien in each county in which it wishes to obtain a lien on the debtor's real property. This bill allows agencies to obtain a statewide judgment lien upon the debtor's real and personal property by recording a notice of lien with the Secretary of State's office. The federal government has indicated an interest in requiring states to maintain central lien registries for child support liens. This bill would position the state to comply with those anticipated future requirements.

The Department of Justice has reviewed the amendments that accompany Eli Justman's written testimony March 5, 2015 ("the amended bill"). We are currently working with the proponents and are suggesting the following changes.

SUGGESTED LANGUAGE

Ten-Year Expiration of Statewide Liens.

Section 7 of the amended bill provides that statewide liens expire after 10 years. Under current law, criminal judgments do not expire for 20 to 50 years. Likewise, spousal and child support judgments do not expire for 25 to 35 years. If the Legislature wishes to make the statewide liens consistent with the underlying judgment, it could make the following amendments to Section 7:

Page 5, Section 7, New Subsection 2: "The lien of a judgment in a criminal action shall expire when the judgment remedies for that judgment expire as provided in ORS 18.180(4)."

Page 5, Section 7, New Subsection 3: "A lien of a judgment awarding child support shall expire when the judgment remedies for that judgment expire under ORS 18.180(5)."

Page 5, Section 7, New Subsection 4: "The lien for a judgment awarding spousal support shall expire when the judgment remedies for that judgment expire under ORS 18.180(6)."

Alternatively, if the Committee does not wish to make these amendments, it may wish to add the following sentence to Section 7(1): "An agency may record a new notice of lien after its original

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lien has expired, provided that the judgment remedies for the underlying judgment, warrant or order have not expired.”

Fourteen Day Deadline to Release Liens.

Section 8 of the amended bill contains a 14-day deadline for agencies to release a lien after the underlying debt has been satisfied. In some situations, it may impracticable for an agency to do so in 14 days. This concern could be addressed by deleting “and no later than 14 days” from page 5, line 30 of the amended bill.

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