

**SB 79 STAFF MEASURE SUMMARY**

**Senate Committee On Veterans and Emergency Preparedness**

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**Prepared By:** C Ross, LPRO Analyst

**Meeting Dates:** 3/14

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**WHAT THE MEASURE DOES:**

Makes explicit that the Oregon Department of Veterans' Affairs may file an affidavit of its exempt status in lieu of documentation showing compliance with foreclosure mediation requirements. Becomes operative 91 days after its effective date. Declares emergency, effective on passage.

*FISCAL: May have fiscal impact, but no statement yet issued*

*REVENUE: May have revenue impact, but no statement yet issued*

**ISSUES DISCUSSED:**

**EFFECT OF AMENDMENT:**

**BACKGROUND:**

In 2013 Oregon created a foreclosure avoidance program requiring lenders to participate in mediation with borrowers to avoid foreclosure. The Oregon Department of Veterans' Affairs (ODVA) is considered a lender, because it administers a home loan program for eligible veterans. ODVA has administered its home loan program for 75 years, and it owns and services all of its loans. ODVA is already required to make every effort to keep veterans in their homes - a higher standard than requiring mediation - and it has a lower foreclosure rate than the overall housing market, so in 2015 the Legislature passed Senate Bill 252 to exempt ODVA from foreclosure mediation requirement applicable to traditional lenders.

Senate Bill 79 permits ODVA to file an affidavit describing its exempt status in foreclosure processes, in lieu of documents showing compliance with mediation.