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**Written Testimony before the Senate Committee On Business and Transportation
in Opposition to Senate Bill 968**

Chair Beyer, Vice-Chair Thomsen, and Senators Girod, Monroe, and Riley,

As you know, county clerks have the legal responsibility to record, preserve, and maintain all records that are vital to the operation of the real property transaction system that Oregonians rely upon.

Years ago, many large lenders decided to create their own system, and their own private company, to avoid having to pay recording fees and use the normal recording system for the assignment of lending instruments, such as mortgages and trust deeds.

This system, known as the [Mortgage Electronic Registration System \(MERS\)](#), fails to comply with [Oregon recording law](#), has [obfuscated](#) Oregon real property records, contributed to the [confusion](#) in the courts during the recent foreclosure crisis, denies counties of vital recording fees to help support the recording system, and poses serious [risks](#) if MERS were to ever go into bankruptcy.

Senate Bill 968 would effectively legalize MERS in Oregon, retroactively. In essence, SB 968 would reward large lenders for the bad behavior just described above, at the expense of clarity in our vital real property recording system.

The Oregon Association of County Clerks (OACC) strongly urges you to oppose Senate Bill 968.