

SB 79 STAFF MEASURE SUMMARY

Carrier: Sen. Boquist

Senate Committee On Veterans and Emergency Preparedness

Action Date: 03/21/17

Action: Do pass.

Vote: 4-0-0-0

Yeas: 4 - Boquist, Monnes Anderson, Olsen, President Courtney

Fiscal: No fiscal impact

Revenue: No revenue impact

Prepared By: C Ross, LPRO Analyst

WHAT THE MEASURE DOES:

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

ISSUES DISCUSSED:

- Technical fix relating to Senate Bill 252 (2015)

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

In 2013, Oregon created a foreclosure avoidance program requiring lenders to participate in mediation with borrowers. 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. Currently, ODVA is 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. For those reasons, the Legislative Assembly passed Senate Bill 252 in 2015 to exempt ODVA from the 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.