

House Bill 3299

Sponsored by Representatives MARSH, MEEK

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Imposes on owner of foreclosed residential real property liability to local government of \$10 for each day that property remains unsold and vacant during period that begins 270 days after date of trustee's sale or judgment of foreclosure, unless owner demonstrates that property remains unsold and vacant because owner is renovating or substantially remodeling property.

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to disincentives for keeping residential real property vacant; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. Section 2 of this 2017 Act and ORS 18.995 are added to and made a part of ORS chapter 18.

SECTION 2. (1) As used in this section:

(a) "Foreclosed residential real property" has the meaning given that term in ORS 18.995.

(b) "Owner" has the meaning given that term in ORS 18.995.

(2)(a) Except as provided in paragraph (b) of this subsection, an owner that owns \$10 million or more in real property in this state is liable to the local government in the jurisdiction in which the owner's foreclosed residential real property is located in the amount of \$10 for each day or portion of a day that the foreclosed residential real property remains unsold and vacant during a period that begins 270 days after the date of the trustee's sale or the judgment of foreclosure for the foreclosed residential real property.

(b) An owner is not liable under paragraph (a) of this subsection during any period in which the owner demonstrates to the satisfaction of the local government that the foreclosed residential real property remains unsold and vacant because the owner is renovating or substantially remodeling, or is having another person renovate or substantially remodel, improvements on the foreclosed residential real property.

(3) A local government to which an owner is liable under subsection (2) of this section has a lien on the foreclosed residential real property for the sum of the liability. A lien created under this subsection is prior to all other liens and encumbrances, except that the lien has equal priority with a tax lien and a lien under ORS 18.995. The lien attaches at the time the local government files a claim of lien with the county clerk of the county in which the foreclosed residential real property is located. A local government may bring an action in the circuit court to foreclose the lien in the manner provided for foreclosing other liens on real or personal property.

(4) A local government shall deposit moneys the local government collects under this section into a fund, the purpose of which is to assist in providing affordable housing within the local government's jurisdiction.

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 **SECTION 3.** Section 2 of this 2017 Act applies to foreclosed residential real property for
2 which a trustee's sale or a judgment of foreclosure occurs before, on or after the effective
3 date of this 2017 Act, except that notwithstanding the date of the trustee's sale or the judg-
4 ment of foreclosure, an owner's liability under section 2 of this 2017 Act may not begin until
5 the effective date of this 2017 Act.

6 **SECTION 4.** This 2017 Act being necessary for the immediate preservation of the public
7 peace, health and safety, an emergency is declared to exist, and this 2017 Act takes effect
8 on its passage.

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