



February 2, 2018

**Clackamas County Board of Commissioners
Policy Position
SB 1556: Regarding Mortgage Electronic Registration System**

Clackamas County opposes SB 1556: The Board of County Commissioners opposes efforts to amend and curtail the authority of County Clerks and to prohibit counties from continuing their prosecution of claims against lenders and the Mortgage Electronic Registration System (MERS).

Clackamas and 12 other Oregon Counties are currently involved in litigation in the U.S. District Court against MERS and numerous national lenders seeking repayment of unpaid recording fees and other damages. SB 1556 would act as a statutory bar to the Counties' ability to continue with the case.

Clackamas County, along with other counties and the state of Oregon, receive document recording fees as required by state statute. The MERS recording system intentionally deprives local and state agencies from receiving these statutorily-authorized recording fees. SB 1556 would prohibit County Clerks from charging or collecting recording fees for instruments that transfer interests in a trust deed but are not recorded. MERS would continue to take place and the prohibition on collecting fees would reduce the amount of document recording fees that are sent to counties.

Moreover, tracking ownership of titles and deeds is muddied through MERS, making it difficult and sometimes impossible to identify the responsible party with authority over the deed. The MERS recording system allowing for the unrecorded transfer of deeds between MERS beneficiaries corrupted the public record by not specifically identifying interest holders within the statutory grantor/grantee indexes.

Passage of SB 1556 would legitimize one of the bad and unfair practices that contributed to the housing foreclosure crisis and would not fit with the ethic of the United States government, which has historically attempted to track and protect real property ownership.

We urge a “no” vote for SB 1556.

Please contact Chris Lyons at clyons@clackamas.us for more information.