

A-Engrossed
Senate Bill 1556

Ordered by the Senate February 28
Including Senate Amendments dated February 28

Sponsored by Senator HANSELL; Senators BEYER, BURDICK, GIROD, JOHNSON, KNOPP, MONROE, ROBLAN, THOMSEN, Representatives BARKER, BARRETO, BYNUM, EVANS, KENNEMER, LIVELY, OLSON, SMITH DB, WILSON, WITT (at the request of Community Banks of Oregon) (Pre-session filed.)

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.

Prohibits county from bringing claim or action against person if claim or action is based on statement in trust deed that nominee or agent of lender is grantee or beneficiary, based on county's recording or indexing instrument that states that nominee or agent of lender is grantee or beneficiary or based on person's having obtained or transferred interest in trust deed by means of instrument that was executed or delivered to person but was not recorded in county's deeds and mortgages records or in county's County Clerk Lien Record.

Prohibits county clerk from charging or collecting fee for instrument that transfers interest in trust deed and that was executed and delivered to person but was not presented for recording.

Applies to claims that arise before, on or after January 1, 2018, but does not apply to actions that commenced before January 1, 2018.

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to trust deeds; and declaring an emergency.

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

SECTION 1. Section 2 of this 2018 Act is added to and made a part of ORS chapter 205.

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

(a) "Lender" means a payee on a promissory note or obligation that a trust deed secures and the payee's successors and assigns, including a person to which an instrument is transferred as provided in ORS 73.0203.

(b) "Trust deed" has the meaning given that term in ORS 86.705.

(2) A county may not bring an action or claim against a person that is based on:

(a) A statement in a trust deed that a nominee or agent of the lender is the grantee or beneficiary;

(b) The county's recording or indexing an instrument that states that a nominee or agent of the lender is the grantee or beneficiary; or

(c) The person's having obtained or transferred an interest in a trust deed by means of an instrument that was executed and delivered to a person but that is not recorded in a county's deed and mortgage records or the county's County Clerk Lien Record.

(3) Notwithstanding ORS 205.320 (1)(a), a county clerk may not charge or collect a fee for an instrument that transfers an interest in a trust deed and that was executed and delivered to a person but was not presented for recording.

(4) This section does not affect the rights of a borrower under ORS 86.705 to 86.815.

SECTION 3. Section 2 of this 2018 Act applies to claims that arise before, on or after

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 **January 1, 2018, but does not apply to any action that commenced before January 1, 2018.**

2 **SECTION 4. This 2018 Act being necessary for the immediate preservation of the public**
3 **peace, health and safety, an emergency is declared to exist, and this 2018 Act takes effect**
4 **on its passage.**

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