

**Testimony before the Senate Judiciary Committee  
In support of HB 2459 A  
On behalf of the  
Oregon State Bar Debtor-Creditor Section**

May 1, 2019

Chair Prozanski and Members of the Committee:

My name is Erich Paetsch and I am an attorney with Saalfeld Griggs PC in Salem. I am here as a representative of the Oregon State Bar's Debtor-Creditor section in support of House Bill (HB) 2459 A.

The Debtor-Creditor section of the Oregon State Bar was originally formed in 1978, and today is made up of over 500 attorneys who practice throughout Oregon. Member of the section represent both debtors and creditors. Our members represent clients from eastern Oregon to Hood River, to the Portland metro area and out to the coast. The Debtor-Creditor section's executive committee has 15 members with a wealth of experience throughout the state.

The Executive Committee of the Oregon State Bar's Debtor-Creditor section support HB 2459 A and we urge the passage of this bill.

With the advent of various privacy laws, lenders, servicers, and other lien holders are reluctant to provide payoff information to anyone other than the named borrower or customer who holds one of various interests in the land affect by a mortgage, trust deed, or other lien. Restrictions on disclosure of such information under such privacy laws generally do not apply in a situation where disclosure is mandated by other law. For example, under the Gramm-Leach-Bliley rules, 15 USC § 6801 *et seq.*, disclosure of nonpublic personal information is permitted to comply with Federal, State, or local laws or to comply with judicial process.

HB 2459 A addresses this issue by specifying that a lien holder may request from another lien holder an itemized statement of the amount necessary to pay off the lien, and provides that the lien holder is permitted to provide the statement without permission of the obligor unless another law requires consent. Additionally the bill provide that only parties with a verifiable interest in real property can make a request. The bill would preserve protections for borrowers under the Fair Debt Collection Practice Act and related laws when consent is required under those laws.

On behalf of the Oregon State Bar's Debtor-Creditor Section, I thank the committee for its consideration and urge the passage of HB 2459 A. I am happy to answer any questions.