

A-Engrossed
House Bill 2459

Ordered by the House April 15
Including House Amendments dated April 15

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Judiciary for Oregon State Bar Debtor-Creditor Law Section)

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.

[Provides procedure for certain persons that hold interest in real property to request and obtain lien information statement that shows amounts necessary to satisfy encumbrance against real property from other person that holds encumbrance.]

[Requires encumbrance holder to respond to request for lien information statement within 30 days after receiving request. Permits encumbrance holder to require evidence that person requesting lien information statement is authorized recipient. Specifies model form for request and information that lien information statement must include.]

[Provides remedies for encumbrance holder's failure to provide lien information statement or to postpone action or proceeding to enforce encumbrance to allow reasonable time for authorized recipient to satisfy encumbrance.]

[Permits authorized recipient to treat lien information statement as payoff statement for purposes of satisfying obligation that encumbrance secures.]

Permits person or agent of person that holds lien that encumbers real property to request statement from person that holds another lien that also encumbers same real property of amount that is necessary to pay off other lien. Permits person that receives request to provide statement without permission of obligor on other lien unless federal or state law requires obligor's consent.

A BILL FOR AN ACT

1
2 Relating to lien information statements for real property that is subject to an encumbrance.

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

4 **SECTION 1. Section 2 of this 2019 Act is added to and made a part of ORS chapter 105.**

5 **SECTION 2. (1) As used in this section, "encumbrance" means:**

6 (a) **A claim, lien, charge or other liability that is attached to and is binding upon real**
7 **property in this state as security for payment of a monetary obligation; or**

8 (b) **A reservation of title to real property in this state under a land sale contract.**

9 (2)(a) **A person, or an agent of the person, that holds a lien that is an encumbrance upon**
10 **real property may request from a person that holds another lien that is an encumbrance**
11 **upon the real property an itemized statement of the amount that is necessary to pay off the**
12 **other lien. The statement must include the per diem interest that accrues after the date of**
13 **the statement if the obligation that the lien secures bears interest.**

14 (b) **The person that receives a request for a statement under paragraph (a) of this sub-**
15 **section may provide the statement without the permission of the obligor on the other lien**
16 **unless federal or state law requires the obligor's consent.**

17

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.