

From the Desk of

Senator Mark Meek

Broad Support for HB 4056A

As amended in the House, the bill is good policy

Background: The US Supreme Court, in *Tyler v Hennepin County*, has ruled against counties' practice of retaining all foreclosure sale proceeds for back taxes, if the proceeds from the sale exceed the tax amounts owed. This practice is now considered unconstitutional. As introduced, the bill would have created barriers to homeowners seeking relief, reduced surplus amounts owed, and instituted narrow statutes of limitations, thus further harming Oregonians.

As amended, HB 4056A will move Oregon towards fair policy, and compliance with the Constitution, by requiring:

1. Counties to establish processes for notice, valuation, and right for a surplus;
2. Surpluses to be held in an interest-bearing escrow account until returned;
3. Protection of the ability for lienholders to collect from the surplus, including for child support and victim restitution;
4. A pause in the new transfer of deeds to the county at the last step in the foreclosure process while surplus processes are being developed; and
5. Oregon Department of Revenue to coordinate stakeholder input to develop recommendations for a uniform statutory process.

HB 4056A provides the consumer protections that are needed now and creates a path to develop a uniform process during the interim to bring back in 2025.



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