A-Engrossed

House Bill 4056

Ordered by the House March 4
Including House Amendments dated March 4

Sponsored by Representative CONRAD; Representatives DIEHL, GOODWIN, HELFRICH, HIEB, LEVY B, LEWIS, MANNIX, MCINTIRE, OSBORNE, OWENS, RESCHKE, WRIGHT (Presession 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. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act would require counties to set up a way to handle surplus proceeds from tax lien foreclosure sales. The Act would pause the transfer to counties of deeds to foreclosed property. The Act would make the Department of Revenue work with county tax officers to set up a uniform way to handle the surpluses. The Act would require a report from the department with suggestions for bills for the 2025 session. (Flesch Readability Score: 61.6).

[Digest: The Act lets people claim a tax foreclosure surplus. (Flesch Readability Score: 75.5).]

Requires counties to establish a process for handling the surplus proceeds from property tax lien foreclosure sales. Suspends the operation of the statute under which deeds to such properties are conveyed to the counties through December 31, 2025.

Directs the Department of Revenue to coordinate with county tax officers to determine a detailed uniform process for handling surplus proceeds that complies with the United States Supreme Court in Tyler v. Hennepin County, Minnesota, 598 U.S. 631 (2023). Requires the department to submit a report containing the determinations and recommendations for legislation to the Legislative Assembly not later than September 15, 2024.

Takes effect on the 91st day following adjournment sine die.

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A BILL FOR AN ACT

Relating to property tax foreclosure surplus; and prescribing an effective date.

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

SECTION 1. Sections 2 and 3 of this 2024 Act are added to and made a part of ORS chapter 312.

SECTION 2. (1) Notwithstanding any other provision of law, each county shall establish a process by which:

(a) Any surplus of the proceeds from the sale of property deeded to the county after a property tax lien foreclosure shall be determined;

(b) Adequate notice of the surplus shall be given to all interested parties;

(c) The right to the surplus shall be determined; and

(d) The surplus shall be deposited in full in an interest-bearing account until the amount and the distribution of the surplus have been determined.

(2) Notwithstanding any other provision of law, the operation of ORS 312.200 shall be suspended during the period that begins on the effective date of this 2024 Act and ends on December 31, 2025.

SECTION 3. (1) The Department of Revenue shall coordinate with county tax officers and
interested parties to determine a detailed uniform process by which the counties shall com-
ply with section 2 of this 2024 Act and the ruling of the United States Supreme Court in Tyler

(2) Not later than September 15, 2024, the department shall submit a report, in the
manner required under ORS 192.245, to the interim committees of the Legislative Assembly
related to revenue, that sets forth the determinations made pursuant to subsection (1) of
this section. The report shall include recommendations for legislation.

SECTION 4. This 2024 Act takes effect on the 91st day after the date on which the 2024
regular session of the Eighty-second Legislative Assembly adjourns sine die.