

County Commissioners
Kevin Cameron, Chair
Danielle Bethell
Colm Willis



Chief Administrative Officer
Jan Fritz

MARION COUNTY BOARD OF COMMISSIONERS

February 15, 2024

Representative Nancy Nathanson, Chair
Representative E. Werner Reschke, Vice-Chair
Representative Jules Walters, Vice-Chair
Members of the Committee

Subject: Marion County Supports HB 4056

Dear Members of the House Committee on Revenue:

The Marion County Board of Commissioners writes to express our strong support for HB 4056, which addresses the critical issue of foreclosure surplus in Oregon. As representatives of Marion County, we recognize the urgent need for legislative action to resolve the challenges faced by counties statewide following the US Supreme Court's *Tyler v. Hennepin County* decision.

The current situation, where Oregon counties face substantial liability associated with foreclosure surplus issues, threatens to undermine the stability of county finances and disrupt the provision of essential services to our communities. The potential liability, estimated to range from \$20 to \$70 million statewide, poses a significant risk of bankruptcy for counties and could lead to the interruption or cessation of critical services for Oregonians.

The lack of clarity and consistency in how counties should respond to claims for foreclosure surpluses exacerbates the problem, creating confusion and administrative burdens for local governments. Without a swift legislative remedy, counties will be compelled to develop individual ordinances, resulting in a disjointed and confusing patchwork of rules across the state.

HB 4056 provides a comprehensive and equitable solution to these pressing challenges. By establishing clear guidelines for the distribution of foreclosure proceeds and addressing ambiguities surrounding surplus claims, the bill will promote fairness, efficiency, and transparency in the foreclosure process. Furthermore, by streamlining procedures and standardizing requirements, HB 4056 will reduce administrative burdens for counties and ensure consistency in how surplus claims are handled statewide.

As the Marion County Board of Commissioners, we urge the Oregon Legislature to support HB 4056 and prioritize its swift passage. By enacting this legislation, you will not only safeguard the financial stability of counties but also uphold the principles of fairness and accountability in the foreclosure process.

Thank you for your attention to this important matter.

Sincerely,



Kevin Cameron
Chair



Danielle Bethell
Commissioner



Colm Willis
Commissioner