

June 16, 2025

Senate Committee on Finance and Revenue
900 Court Street NE
Salem, Oregon 97301

RE: HB 2089 - Tax Foreclosure Surplus Process

Chair Meek, Vice-Chair McLane, and Committee Members,

Thank you for the opportunity to submit testimony regarding House Bill 2089A, which is a response to the property tax foreclosure surplus issue raised by the U.S. Supreme Court's decision in *Tyler vs. Hennepin County*.

In 2024, the Legislative Assembly passed HB 4056, which created an interim work group to determine a consensus policy that would determine a uniform process for Oregon counties to comply with the *Tyler* decision. Multnomah County participated in the interim work group along with the Association of Oregon Counties, Oregon Department of Revenue staff, and consumer advocacy groups. The 2024 work group wrapped up its work with a series of recommendations for legislative action in 2025.

Multnomah County's adopted 2025 State Legislative Agenda includes a priority to "support a straightforward and statewide approach to returning financial equity to former property owners." When HB 2089 was originally introduced at the beginning of the 2025 Legislative Session, it neither reflected the recommendations from the 2024 work group nor met the goals of being 'straightforward.' We are grateful for the efforts of Rep. Emerson Levy and the Association of Oregon Counties for their work to greatly improve the bill during its time in the House Committee on Revenue.

While the bill introduces new elements to the tax foreclosure process that will be onerous for counties, such as the requirement to hire a real estate agent instead of selling a property at auction, we have made enough progress on the other elements of the bill to remove our opposition to the bill and move to neutral. We appreciate the hard work on this bill and we look forward to continuing to work with legislators to ensure a straightforward tax foreclosure process.

Sincerely,

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