



Senate Committee on Finance and Revenue
Testimony in Support of HB 4056A
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AARP is dedicated to empowering Americans 50 and older to choose how they live as they age. With over 500,000 members in Oregon, AARP works to strengthen communities and advocate for what matters most to families. With a focus on health security, financial resilience, and livable communities.

HB 4056A is the result of the US Supreme Court 2023 ruling in *Tyler v. Hennepin* where the Court unanimously held that a statutory scheme, similar to one used in Oregon, depriving a property owner of her home's surplus equity in excess of her tax debt was an unconstitutional taking under the 5th Amendment of the U.S. Constitution. AARP Foundation, along with the National Consumer Law Center, filed an amicus brief in the United States Supreme Court support of Ms. Tyler. We applaud the court's decision in protecting the equity of homeowners.

Nearly 80% of older adults over the age of 65 own their own homes. And for many that is often their most valuable financial asset, representing a lifetime of hard work. The consequences for older Oregonians cannot be overstated, especially as they have higher rates of physical and cognitive disabilities and are more likely to live on modest, fixed incomes, which makes it easier for them to become subject to tax foreclosures.

We support HB 4056A – it memorializes into law the legislature's intent to comply with the constitutional requirements of *Tyler*, gives counties necessary guidance, provides critical safeguards for consumers and at the same time allows an opportunity to convene all stakeholders and return with a proposal in 2025 that reflects Oregon values.

HB 4056A:

- 1) Suspends any current foreclosures at the final stage, immediately prior to the county taking the deed;
- 2) Directs the Oregon Department of Revenue to assist counties to develop a process to determine the surplus, what can be subtracted and notice;
- 3) Puts any current surplus in an interest bearing account; and
- 4) Directs the Oregon Department of Revenue to make a recommendation, convening all the stakeholders to address the complex legal and policy issues.

We look forward to working with the many other stakeholders to return to the legislature in 2025 with legislation that addresses the concerns and needs of all Oregonians.