



NEWS

Oregon Legislature - House Democratic Caucus

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Homeowners Get Relief as Governor Signs House Democrats' Priority

*Reforms help underwater Oregon homeowners, hold
banks accountable*

SALEM- A hard-fought legislative victory for Oregon homeowners became law today as Governor John Kitzhaber signed SB 1552, a top priority of Democrats the Legislature this February session.

The foreclosure reform bill requires banks to meet with homeowners facing foreclosure or underwater on their mortgages in mandatory mediation. It allows homeowners to meet with housing counselors prior to mediation, but enables homeowners to bypass housing counselors if they aren't able to meet within a thirty day period. It also outlaws the practice of dual-track foreclosures in which banks enter into conversations with homeowners to negotiate terms of a loan while simultaneously beginning the process of foreclosure.

Rep. Paul Holvey (D-Eugene), a champion of the protections, hailed the bill's signing. "We overcame the opposition of big Wall Street banks, House Republicans and the mortgage industry to pass a bill that will not only help those facing foreclosure, but help underwater homeowners avoid foreclosure altogether. The Governor's signature caps off a long fight to stand up for middle class homeowners."

"Members of our caucus worked hard to help Oregonians by refusing to take no for an answer on meaningful reforms that hold big banks accountable. We had great advocacy on this bill from homeowners across Oregon who helped us deliver for middle class Oregonians," said Rep. Tina Kotek (D-Portland), the House Democratic Leader.

SB 1552, which enacts a number of long-sought protections for homeowners and cracks down on the unethical practices of Wall Street banks, was one of the most high profile issues debated in the Legislature. House Democrats had previously pushed for tough foreclosure reforms and homeowner protections, ultimately succeeding in the February session. The bill had overwhelming support from Oregonians, and strong public pressure helped advocates overcome years of opposition in order to push the bill through.

“We’re continuing to work very aggressively so that we can begin helping people as soon as the law takes effect. This bill makes certain that all homeowners at risk of foreclosure have the opportunity to benefit from face to face mediation,” said Rep. Chris Garrett (D-Lake Oswego), “This is one of the proudest accomplishments of a very successful legislative session.”

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