



OREGON LAND TITLE ASSOCIATION  
Legislation Adopted in the 2024 Regular Session  
Bills of Interest to Title Companies

The following are summaries of some of the bills passed during the 2024 legislative session that are of interest to the title industry:

**House Bill 4006 Relating to submitting surety bonds in lieu of retainage; creating new provisions; amending ORS 279C.560, 279C.570, 701.420 and 701.435; and declaring an emergency**

Requires state agencies to accept surety bonds from people who perform construction work for the state, instead of holding onto some of the money the agencies owe for the work, in order to make sure the work is done correctly. Gives a form for the surety bond.

Effective date: March 7, 2024

**House Bill 4020 Relating to notaries public; creating new provisions; and amending ORS 194.325**

An applicant for a commission as a notary public must pass an examination administered by the Secretary of State or an entity approved by the Secretary. This act requires that all applicants complete a course of study offered by the Secretary of State, or an entity approved by the Secretary, before taking the examination. This training requirement will apply to all applicants, even if the applicant already holds a commission in Oregon, on or after the effective date of the Act.

Effective date: January 1, 2025

**House Bill 4056A Relating to property tax foreclosure surplus; and prescribing an effective date.**

Requires the Oregon Department of Revenue and the Counties to create a process to:

- Determine any surplus from the proceeds from the sale of property the county received in a property tax foreclosure
- Provide adequate notice of the surplus to all interested parties
- Determine right to the surplus
- Surplus shall be deposited in an interest-bearing account and the above determinations have been made

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 US Supreme Court's holding 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 no later than September 15, 2024.

Effective date: June 6, 2024; suspended until December 31, 2025

**House Bill 4058A Relating to regulated real estate activities; creating new provisions; and amending ORS 696.010, 696.581, 696.730, 696.800, 696.805, 696.810, 696.815 and 696.840.**

- Please see separate PDF

**Senate Bill 1517 Relating to the urban flood safety and water quality district; creating new provisions; amending ORS 550.190, 550.230, 550.300, and 550.360; and prescribing an effective date**

Authorizes the Urban Flood Safety and Water Quality District in the Portland area to impose an assessment on lands within the managed floodplain for the cost of operating and maintaining district works and imposing a fee on cities and counties for the cost of operating the district. New assessments for services will be included on property tax statements. However, the board of directors may, by resolution, provide for direct collection from benefited lands that are exempt from ad valorem property taxation.

Effective date: June 6, 2024

**Senate Bill 1537 Relating to housing; creating new provisions; amending ORS 183.471, 197.015, 197.195, 197.335, 197.843, 215.427, 227.178, and 455.770; and prescribing an effective date.**

SB 1537 is an expansive Act; below is a summary of key provisions.

**HAPO:** The Act creates the Housing Accountability and Production Office (HAPO.) HAPO will provide cities and housing developers with several tools to streamline the development process. For example, the office will produce ready-built plans and model codes to expedite development. The office will also ensure that the state's housing laws are being followed by offering a voluntary process for the people who are doing the hard work of building needed housing to address complaints, concerns, and issues from local governments and developers about compliance with state housing law.

**Funding:** The Act includes a \$500 million investment package from existing state resources to unlock more housing production by providing funding to build core infrastructure like water and sewer to support new housing development and funding for moderate-income housing.

**Land Supply:** The Act establishes a one-time Urban Growth Boundary (UGB) tool for cities that need both land and affordable housing, and requires that 30% of all the homes be affordable. While this tool does allow expedited and limited expansions for Cities that have a need, it also has a series of requirements to ensure that expansion areas are the type of communities that Oregonians want: complete communities with diverse housing choices, a mix of densities, stores, and restaurants, parks and open space, walking and biking infrastructure, affordable homeownership opportunities, and more. Land cannot be high-value farm or forest land outside of urban reserves already designated for future urban development and is capped at no more than 75 or 150 acres, depending on city population. The tool is designed to ensure that as Oregon communities grow, they can accommodate urgently needed affordable and middle housing production, while also retaining the state's natural beauty and diverse neighborhoods

**Housing Affordability:** Within any expansion area, 30% of all housing units must be legally restricted for affordable housing.

**Climate-Friendly Homes:** Resources for new affordable housing construction to incorporate energy-efficient design, reduce energy costs for low-income residents, and stabilize operational costs for owners.

Lastly, the Act a new property tax exemption for new housing that received development grants from a revolving loan program. The completed housing becomes liable to repay the grants through fees charged to the property on the tax rolls.

Effective date: June 6, 2024

**Senate Bill 1545 Relating to the assessment of rebuilt homesteads; creating new provisions; amending ORS 310.165; and prescribing an effective date.**

This Act grants a property tax break to destroyed homes that were rebuilt after the 2020 wildfires. It authorizes a county to allow a homestead rebuilt by the same owner on the same lot to replace the homestead destroyed by the September 2020 wildfires to have a specially assessed value equal to the destroyed homestead's real market value for the 2020-2021 property tax year. It also provides that the specially assessed value continues until the earliest date on which the rebuilt homestead is no longer the owner's principal dwelling, is rented to another person for any duration, or is transferred to new ownership.

Each county will need to “opt-in” by ordinance or resolution to allow eligible property to be assessed and taxed under this section. Each year that eligible property is granted a specially assessed value under this section, the county assessor shall enter on the assessment and tax roll that the eligible property is specially assessed and is subject to potential additional taxes by adding the notation “potential additional taxes.” The specially assessed value available under this section is in addition to and not instead of any other property tax limit, exemption or partial exemption, special assessment, or deferral.

Effective date: June 6, 2024