

**A-Engrossed**  
**House Bill 2587**

Ordered by the House April 1  
Including House Amendments dated April 1

Sponsored by Representative MEEK (Pre-session filed.)

**SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

**For purposes of homestead property tax deferral program for seniors and persons with disabilities, changes prohibition on homestead with outstanding deferred property taxes from being pledged as security for reverse mortgage to prohibition on homestead that is pledged as security for reverse mortgage from being granted deferral under program.** Makes exception for certain homesteads [*to prohibition on reverse mortgages for participation in homestead property deferral program for seniors and persons with disabilities*].

Takes effect on 91st day following adjournment sine die.

**A BILL FOR AN ACT**

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2 Relating to the homestead property tax deferral program; amending ORS 311.700; and prescribing  
3 an effective date.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 311.700 is amended to read:

6 311.700. (1) A clause or statement in a mortgage trust deed or land sale contract executed after  
7 September 9, 1971, that prohibits the owner from applying for deferral of homestead property taxes  
8 provided in ORS 311.666 to 311.701 is void.

9 (2) **Notwithstanding ORS 311.670**, a homestead [*on which amounts deferred under ORS 311.666*  
10 *to 311.701 remain outstanding may not be*] **that is** pledged as security for a reverse mortgage [*by any*  
11 *person*] **is not eligible for tax deferral under ORS 311.666 to 311.701.**

12 (3) **Subsection (2) of this section does not apply to a homestead that is:**

13 (a) **Eligible for tax deferral under section 7, chapter 13, Oregon Laws 2012, section 1,**  
14 **chapter 31, Oregon Laws 2013, or section 1, chapter 494, Oregon Laws 2013; or**

15 (b) **Pledged as security for a reverse mortgage pursuant to a contract executed on or**  
16 **after July 1, 2011, and before January 1, 2017, provided the taxpayer seeking the tax deferral**  
17 **has an equity interest in the homestead that equals or exceeds 40 percent at the time of**  
18 **filing a claim under ORS 311.672.**

19 **SECTION 2.** This 2019 Act takes effect on the 91st day after the date on which the 2019  
20 regular session of the Eightieth Legislative Assembly adjourns sine die.

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**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.  
New sections are in **boldfaced** type.