HB 3522 A STAFF MEASURE SUMMARY

Senate Committee On Housing and Development

Prepared By:Kaia Maclaren, LPRO AnalystMeeting Dates:5/12, 5/19

WHAT THE MEASURE DOES:

This measure allows property owners and landlords to reclaim premises from squatters by providing a 24-hour written notice to vacate. It ensures that the notice does not grant any legal occupancy rights to the squatter and classifies remaining on the property after the notice period as unlawful holding by force. The measure also requires this 24-hour notice to be included in eviction complaint forms filed in county circuit courts and clarifies that such actions are subject to standard court and sheriff fees.

Detailed Summary:

- Allows an owner or landlord of a premises to take possession of the premises from a squatter after giving the person 24 hours' written notice of the termination of the occupancy.
- Requires that said notice specify the date and time by which the person must vacate and state that the cause of the termination is the person's status as a squatter.
- Clarifies that notice does not create a right of occupancy or tenancy for the squatter.
- Classifies as cause of unlawful holding by force when the person is a squatter who remains in possession of a premises after expiration of the written notice of the termination of the occupancy.
- Adds the 24-hour notice for squatter as a cause on eviction complaint form submitted to county circuit court.
- Clarifies that an action to recover the possession of the premises by the person entitled to possession on the basis of a squatter remaining in possession of a premises after the expiration of a notice in circuit court is subject to the filing fees and other court or sheriff fees.
- Expands definition of "squatter" to include persons occupying any other property and using it for dwelling purposes.

Fiscal impact: Has minimal fiscal impact Revenue impact: No revenue impact

HOUSE VOTE: Ayes, 55; Nays, 0

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

A squatter is someone who occupies a property unit without permission or legal right with the potential to gain legal rights through adverse possession. In Oregon, squatters may acquire legal ownership of a property through adverse possession if they meet specific criteria over a continuous period of 10 years (<u>ORS 105.620</u>). Adverse possession allows squatters to claim ownership of a property they don't legally own. This concept is based on the idea that if a property owner neglects their rights, a squatter can step in and take possession. The requirements for adverse possession, a legal right, include open, notorious, continuous, and hostile use of the property. Hostile possession means occupying the property without the owner's permission and with an honest belief of having the right to do so. Actual possession refers to physically using the property as an owner would, such as maintaining or making improvements. Open and notorious possession means that the occupation must be obvious to others, not concealed, signaling to the public and the owner that the property is being used. Exclusive possession refers to

HB 3522 A STAFF MEASURE SUMMARY

the squatter being the sole occupant, not sharing possession with others, including the legal owner. Continuous possession refers to the squatter maintaining uninterrupted possession for the entire 10-year period without significant absence. Oregon does not require squatters to pay property taxes or possess a "color of title" (unofficial ownership of a property, usually without certain required documents like an official deed) to make an adverse possession claim; they can gain color of title through the process of making a successful claim for adverse possession. The only requirement before the claim is filed is the 10-year continuous occupation. Property owners facing unauthorized occupants must follow legal eviction procedures, which involve serving proper notice and potentially filing an unlawful detainer lawsuit.