

# ONE HUNDRED THIRD LEGISLATURE - SECOND SESSION - 2014

## COMMITTEE STATEMENT

### LB819

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**Hearing Date:** Monday January 27, 2014  
**Committee On:** Banking, Commerce and Insurance  
**Introducer:** Wightman  
**One Liner:** Change provisions relating to future advances on mortgages or trust deeds

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**Roll Call Vote - Final Committee Action:**

Advanced to General File with amendment(s)

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**Vote Results:**

**Aye:** 8 Senators Campbell, Carlson, Christensen, Garrett, Gloor, Howard, Pirsch, Schumacher

**Nay:**

**Absent:**

**Present Not Voting:**

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**Proponents:**

Senator John Wightman  
Robert Hallstrom

**Representing:**

Introducer  
NE Bankers Association

**Opponents:**

**Representing:**

**Neutral:**

**Representing:**

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**Summary of purpose and/or changes:**

LB819 (Wightman) would amend section 76-238.01 regarding mortgages and section 76-1002 of the Nebraska Trust Deeds Act. The bill would amend both sections with provisions borrowed from each other so that they would become very similar to each other.

As amended, the bill would add new provisions to both sections that would provide that real property may be mortgaged or transfers in trust of real property may be made to secure (1) future advances necessary to protect the security, even though such future advances cause the total indebtedness to exceed the maximum amount stated in the mortgage or in the transfer in trust of real property or in the trust deed, or (2) any future advances to be made at the option of the parties in any amount unless a maximum amount of total indebtedness is stated in the mortgage or in the transfer in trust of real property or in the trust deed.

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**Explanation of amendments:**

The committee amendments would make clarifying additions and deletions in the mortgage section and in the trust deed section of the bill. The amendments would also make consistent with each other parallel provisions in the mortgage section and in the trust deed section regarding certified mail notice to a mortgagee/beneficiary with regard to optional future advances.

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