

One Hundred Third Legislature - Second Session - 2014

Introducer's Statement of Intent

LB819

Chairperson: Senator Mike Gloor

Committee: Banking, Commerce and Insurance

Date of Hearing: January 27, 2014

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 819 amends §§76-238.01 and 76-1002 to conform provisions regarding the manner in which debts or obligations and future advances may be secured pursuant to a mortgage or trust deed covering an interest in real property.

These statutes would also be clarified to allow for a mortgage or trust deed to secure optional future advances in any amount, unless a maximum amount of total indebtedness to be secured is stated in the mortgage or trust deed.

The legislation would also clarify that the notice by a subordinate lienholder to limit optional future advances of a first lienholder must be sent to either the mortgagee/beneficiary set forth in the mortgage/trust deed or to the most recent assignee reflected in a recorded assignment of the mortgage/trust deed.

Principal Introducer: _____

Senator John Wightman