

One Hundred Seventh Legislature - First Session - 2021

Introducer's Statement of Intent

LB503

Chairperson: Senator Matt Williams

Committee: Banking, Commerce and Insurance

Date of Hearing: February 02, 2021

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

LB 503 would allow a lienholder to obtain an award of reasonable attorney fees and court costs in an interpleader or other similar action resulting from an objection to or the uncertainty of the proposed payment of proceeds of a trustee's sale by the trustee. The award of attorney fees is only to be allowed if the objection to the proposed payment of proceeds of the trustee's sale by the trustee has been made and found by the trial judge to be without a good faith reason.

The bill provides for a rebuttable presumption that the objecting party did not have a good faith reason to object if a judgment is entered in favor of the lienholder in an amount equal to or greater than the portion of funds paid into the court by the trustee to which the lienholder claimed to be entitled.

Principal Introducer: _____

Senator Michael Flood