

January 30, 1980

LB 306

PRESIDENT: Senator Schmit.

SENATOR SCHMIT: Mr. President and members of the Legislature, I find myself in a situation on this bill which is sometimes described by some of the proponents of the bill as almost unwarranted or unprecedented. I have opposed the bill, and one of my banker friends insisted that I was keeping bad company and I may be, I don't know. But I just would like to point out something that I think a lot of us are overlooking in this instance. You know, we tend to look at the issue in a normal fashion, the normal family where a husband and wife are married and perhaps they stay married for twenty-five or thirty or forty years, and something like this happens and they have both contributed to the value of the property and upon the death of one or the other why there is a just debt which no one would argue about which no spouse would argue about paying. I would like to outline for you and I hope that you listen very carefully, a situation which I know does exist and which can take place to the detriment of a spouse. Right in this body and some of the people that may be working for some of us, there are women who have raised their families themselves, they have paid for their home, some of them may stand to inherit some property from their family and they find themselves suddenly in possession of a substantial estate. They may, at a later time, marry. They may marry an individual who is solid, substantial and respectable and they may not, and that is the luck of the game, I guess. But what happens then is that it is possible for that spouse to go into a financial institution and obligate his wife's estate, his wife's earnings, his entire wife's livelihood and her sole means of support and sustenance in her old age by signing his name to a document, and he very illicitly does not want her to know that he has signed that document because she would not sign with him, and all of sudden that individual could die and the wife would find herself bound by a debt which she did not condone, from which she did not benefit, and the financial institution would be possessing some of her property. It was not property jointly accumulated. It was property the wife put together herself over the years which she may have inherited from her parents, and which, and I don't like to say it, and which some designing male came along and decided to take away from her. Senator Kahle said that won't happen. I hope not, Senator Kahle. But the point is this, it can happen, it does happen, it has happened and it will happen again, and we all know it will happen. Now I have great empathy for the banks, but there isn't a bank in the country that does not require that signature of a spouse when they deem it