

April 1, 1980

B 940

PRESIDENT: All right. Okay. All right, fine. Follow the Speaker's suggestion. So then we will take the matter up. Senator DeCamp, do you want to move then?

SENATOR DeCAMP: Move what?

PRESIDENT: To adopt the amendment.

SENATOR DeCAMP: Yes, I move to adopt the amendment.

PRESIDENT: All right. Any further discussion now at this point, which is to adopt the amendment that we have been discussing all morning. Senator Johnson.

SENATOR JOHNSON: I think Senator DeCamp, Mr. President and members of the body, has passed out a flyer called "Present Nebraska Bankruptcy Exemptions" and there are eleven different items on it. You might want to take a look at it. I should tell you at the outset that the Nebraska exemptions, of course, apply in any creditor process. That means very simply that a Nebraska exemption applies whenever a creditor obtains a judgment against a debtor in a Nebraska court and then goes to levy on that judgment. So a Nebraska exemption applies irrespective of whether or not the debtor is in bankruptcy. The federal bankruptcy exemptions apply only if the debtor has become so distressed that the debtor has to go into bankruptcy. That is the only time the federal bankruptcy exemptions apply. So please bear that in mind as we go through this material. Senator DeCamp says that his amendments...we start out saying we have a homestead exemption of \$4000, and only one homestead exemption may be claimed. Under the amendment the homestead exemption will increase to \$6500. Now, you should be mindful of this, the federal bankruptcy exemption would allow \$7500 to the individual bankrupt rather than \$6500 as the amendment allows, and the federal exemption clearly applies to personal property in which the individual lives as well as to real estate and the Nebraska exemption is ambiguous. I don't know of a definitive ruling on that. In other words...in other words, the federal exemption applies to a mobile home owner. The Nebraska exemption is unclear on that point. Secondly, Senator DeCamp points out under the Nebraska law we all have a general exemption for persons not having a homestead exemption of \$1500 in personal property except wages. Now you should be mindful of this. This is a very important point. If you weren't lucky enough in life to ever buy a house and you have to...and you become financially distressed, you only get \$1500 in exemptions. That's it. That's it. That is all you get under Nebraska law, and you should be further mindful of the fact that the