May 20, 1981

or a subcontractor, or a supplier, is going...either going to file a commencement of notice or run the risk of someone else filing one and run the risk of someone else filing and cutting his lien. This is not the removal of a burden from the shoulders of the contractor, it is, in fact, is misleading to say that he has any protection unless he files a lien or notice of commencement right after he improves the property, as I see it. Is that correct?

SENATOR BEUTLER: That's, the alternatives that we had, Senator Peterson, were one of two. Either we could have two forty-page construction laws, one applying to commercial and industrial and one applying to residential. Or we could within the context of 512 restore to industrial and commercial their rights, that is, the right to file a lien, the right to the unpaid amount of the contract, their right not to file a notice ahead of time. They are still protected and the notice of commencement, if it is filed, would give them equal rights with all other parties who file construction liens.

SENATOR H. PETERSON: But isn't it possible under your amendments, for example, that unless that contractor files that notice, that you might get down to where you would have, let's say only 30 days of the lien. In other words, he could be cut out of the first part if somebody else filed the notice.

SENATOR BEUTLER: The scenarios that you could construct are endless, Senator Peterson. Let me say this, that the effect of LB 512 is the same ultimate effect that exists in our statutes combined with our common law right now to the best of my knowledge.

SENATOR H. PETERSON: Okay. What you are saying is that you want to do away completely with commercial construction as far as you are concerned. And you...(interruption).

SENATOR BEUTLER: I'm not sure what you mean by that.

SENATOR H. PETERSON: You're saying...you are saying you don't want to protect Senator Goll.

SENATOR BEUTLER: I want to protect Senator Goll. But I want the homeowners protected first and if giving up the protection of commercial people is necessary in order to get the homeowner protected, I am willing to do that, and that is why I am submitting this amendment.

SENATOR H. PETERSON: Okay.

5430