

May 20, 1981

LB 512

that are good, honest people wanting to do a job that just don't have the assets to carry it without a lien law. I strongly urge your support of this compromised amendment that finally in the last stages this last week that we have been able to work out that I think adequately takes care of the homeowner and the subcontractor alike. Thank you.

SPEAKER MARVEL: Senator Beutler.

SENATOR BEUTLER: Mr. Speaker and members of the Legislature, I, as well as the other introducers of the bill, strongly oppose the amendment because it goes right back again to putting the homeowner at jeopardy. Before I talk specifically about the Peterson amendment, please keep in mind again the broad perspective. No other businessman has this kind of a right. Nowhere else in the law can an unidentified third party who you have never heard of and never dealt with, no place else can they come in and file a lien on your property. So just keep that in mind when you are considering the whole situation. Now with regard to the Peterson amendment, the basic provision, the core provision of the Peterson amendment requires that in order for a subcontractor or for a material man to file a lien under the present law they first have to file with the Register of Deeds a notice. Last summer and last fall we played around with this solution and a bill I had in last year suggested that solution, and the subcontractors and the material men came to me in droves and they said, you are going to inundate the Register of Deeds with notices on notices on notices. It is going to be more money on everyone of the 93 counties with the Register of Deeds. It is going to be burdensome. It is the most expensive solution to the problem, don't do that. And now here they come trotting right in here and telling you to file these things with the Register of Deeds. They told me there would be thousands and thousands and tens of thousands of these. Maybe they are right. I assume they are right, and that is what they are asking you to do now, is file all these notices with the Register of Deeds. But even with the notices filed, all that means is that there is a place to go to find out about a lien law problem if you know to go. And in another part of the bill they provided for a notice to be given by the savings and loan associations telling them that there might be a lien law problem. But in addition to the burdensome problem of all these filings, don't forget that not everybody borrows money in order to construct. A lot of people build houses without borrowing money, but more importantly, many, many people make home improvements.... Siding on houses is a characteristic problem in this lien law situation, make those improvements without borrowing money, without going to the S & Ls and taking out a mortgage,