

that our credit extension will be curtailed. Well, I hope it is and that the curtailment of business will happen. Well, hopefully when the credit is extended carefully and responsibly, then those good solid responsible contractors, subcontractors, will have more business and not let the fly-by-nights grab their business. I am concerned about the title insurance provision. If you are going to force title insurance companies to include mechanics lien coverage, I believe there is a danger. You can force them to include the mechanics lien coverage but you cannot enforce them to issue title insurance, and I think that this will be a very difficult thing to get if you mandate that. Michigan, in December, I have a letter from the Michigan Consumers Council... said, "Enclosed is a copy of the mechanics lien revision legislation passed in Michigan last December. The new law completely revamps the mechanics lien system, and you will note that in Part 2 beginning on page 12 a special section addresses itself to the problem of residential homeowners. A number of Michigan homeowners have lost several thousand dollars in recent years due to insolvent or dishonest contractors. We hope this legislation will take the burden off the individual homeowner and spread the costs among all persons building or improving their homes". Iowa is contemplating a change and part of their law is, "In the case of an owner occupied dwelling, a mechanics lien perfected under this chapter is enforceable only to the extent of the balance due from the owner to the principal contractor at the time written notice is served on the owner."

SPEAKER MARVEL: You have 30 seconds.

SENATOR PIRSCH: This notice may be served by delivering it to the owner or to the owner's spouse personally or by mailing it to the owner by certified mail with restricted delivery and return receipt, or by personal service". I remind you that a certified letter with return receipt requested is about \$1.50. To file a notice with the Register of Deeds is \$3.25. I hope that you do not vote for this amendment.

SPEAKER MARVEL: Senator Landis.

SENATOR LANDIS: Mr. Speaker and members of the Legislature, I rise to support the Peterson amendments on behalf of LB 512, and although I can't say that either side of the coin at this point is ideal, for example, the lien notice does not at this point state how much the lien is for, the amount that the subcontractor is due. It does not provide for actual notice in the form of a registered letter, both of which I think would be satisfactory improvements. I have to say that of the two, I support as public policy the Peterson amendment