

are not selling with full title, you are not selling in fee simple, in fact you are selling the property with an encumbrance and there, of course, you may have the possibility of title insurance providing some kind of adequate mechanism to the home buyer. I again indicate to the body that I see this as a policy choice between the destruction of a fair remedy, that remedy being a lien, at least in some instances, and that is an inadequate and unfair response because it is too broad brush. It is a shotgun approach to a rifle problem.

SPEAKER MARVEL: You have 20 seconds left.

SENATOR LANDIS: I just simply indicate to the body that I think the Peterson amendments offer an attempt to balance responsibilities more fairly than they are now balanced but at the same time does not do away with what at least in some instances may be a fair, rational remedy and that remedy may be the application of and adjudication of lien rights by a wrongfully defrauded subcontractor, and so I intend to vote for the Peterson amendments to 512.

SPEAKER MARVEL: Senator Kilgarin.

SENATOR KILGARIN: Thank you. Mr. Chairman and members of the Legislature, I rise to oppose Senator Peterson's amendments to LB 512 and I just want to keep it brief and tell you some of the problems that I see in Senator Peterson's amendment. With regard to the lending institutions or the S & Ls giving notice to the buyer, you have a real problem there as Senator Beutler pointed out with cash transactions and now with the tight money market you are looking at many other ways of financing that does not include savings and loans or banks. You have got wrap around mortgages and carry backs and many, many other land contracts and things of this nature. Therefore, the S & L provision would not be applicable or helpful in any of those circumstances. With regard to a mandatory provision in title insurance policies that would cover any liens filed that is going to cause the price of title insurance probably to skyrocket and once again the homeowner is going to be the one to pick up that cost. Also, some buyers don't buy title insurance, they just have an extension on the abstract done by an attorney and there you wouldn't have that insurance protection that Senator Peterson's requirement seeks to impose upon the title insurance companies to give to the home buyers. So there again there are loopholes in that provision in the law. Also, you are looking at a tremendous burden on your county officials. Your Register of Deeds will have supposedly thousands and millions of these liens or notices of liens filed