

rights that consumers could not exercise under the old mechanism because these mortgage bankers were beyond the pale. We couldn't regulate them. They fell through the cracks. We either did not have jurisdiction or we did not have authority to do these things and to get consumers this kind of information. It provides for the preparation of a new abstract of title if a licensee fails to deliver an abstract. It requires the licensee to send borrowers notices of transfer of servicing rights if they have sold either the servicing right or the loan itself. It creates a series of fees. It establishes personal jurisdiction over non-Nebraska organizations who are conducting business in this state so we have remedy for Nebraska consumers. Let me thank the Banking Department and Mark Hesser for doing a fine job from their perspective, and, actually, I think some very fair and reasonable negotiation on behalf of the Nebraska Mortgage Bankers by Jim Sackett, Mike Fosdick, Larry Ruth, Trev Peterson, and by the committee, not only through Bill Marienau and myself, but other members who kept up on this issue. The bill has no opponents. The Nebraska Mortgage Bankers Association supports this amendment. I urge its adoption.

SPEAKER BARRETT: Thank you. Discussion. Senator Abboud.

SENATOR ABOUD: Yes, Mr. President, it was... I think this is an excellent piece of legislation and I would like to echo Senator Landis's remarks in regards to the Banking Department for coming forth with a solution, I think, to some of the problems that we are facing in the State of Nebraska. It was interesting because last summer I received numerous complaints meaning three different complaints from three different constituents of my district of situations in which they took out a mortgage with a local mortgage company and they thought it would stay in the State of Nebraska, and that mortgage was then sold to an outstate secondary mortgage group, a bank, either from New Jersey, or New York, Chicago, wherever, but this is a phenomena that is occurring. It will continue to occur and I think it is probably in the best interest of the consumer because that way they get the best possible mortgage rates, but it was to my chagrin that I discovered that there was no real regulation of this secondary mortgage market. I think that a couple of the areas that should be noted that are significant changes and I think will make it better for our constituents are that when there is a transfer of that mortgage that there must be notification to the borrower of this transfer of the servicing rights. In addition, if there is a transfer, there is a