

time there were four minutes left on Senator Wesely's five minutes. When Senator Vrtiska asked me I was telling him how long there was left on the bill. I didn't know that you were yielding any time to him, if you were. Thank you. Also before going on to the next bill, earlier Senator Cudaback had some guests and I think they didn't get introduced. Carl and Shirley York were here from Cozad and we're happy they were here, Senator Cudaback. So, LB 774.

ASSISTANT CLERK: Madam President, LB 774 was introduced by Senato. Beutler. (Read title.) The bill was read for the first time on January 19, referred to the Banking Committee. That committee reports the bill to General File with committee amendments attached.

SENATOR CROSBY: Senator Landis, on the committee amendments.

SENATOR LANDIS: Thank you, Madam President, members of the Legislature, this measure was reported out 8-0 by the Banking, Commerce, and Insurance Committee. It is a follow-up to last year's good funds bill which Senator Beutler brought us. Good funds are funds that are used at the time of a real estate closing and our requirement is that these funds be held in a separate fund that the agent has that is held in trust, but it is held in the federally insured financial institution controlled by the real estate closing agent. The committee amendment changed a provision in the green copy of the bill which said that the fund, the trust account, had to be held in a federally insured financial institution which could mean an S & L, it could mean a bank, it could mean a credit union, but we already have an existing statute, 81-885.21, in the Real Estate License Act which indicates where the real estate broker's trust account should be for down payments and earnest money. It says it will be in a bank and rather than to create two sections of law, one in the Real Estate Act and one in this provision, we decided to simply make an internal reference to the existing obligation to use the trust fund identified in 81-885.21. I would say, however, that in so doing we've limited this to be a trust fund held in banks only and at this juncture that really makes little sense. It should be for all federally insured financial institutions and perhaps at some point the Real Estate Commission will come in and ask to change their own statutes. When they do, this would be a right place to do it. All we're doing here is an appropriate internal reference to an existing trust fund obligation under the Real Estate Licensure