

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office

April 1, 1999

LB 248

the bill, Mr. President.

SPEAKER KRISTENSEN: Senator Schimek, you're recognized to open.

SENATOR SCHIMEK: Thank you, Mr. President, members of the body. In the immortal words of Senator Cudaback, this is really just a simple, little bill. (Laughter.) It was actually brought to me by the city of Lincoln, but it affects and impacts the city of Lincoln and the city of Omaha, because it just applies to primary and metropolitan class cities. Existing law requires real estate closing agents to use good funds when closing real estate transactions. And good funds are defined to include warrants of the state of Nebraska, U.S. Treasury checks, and Federal Reserve Bank checks. Current law does not allow warrants of a city to be accepted as good funds, and that's what this bill would do, would add warrants of a city of the metropolitan or primary class. This change would allow Lincoln and Omaha to avoid the administrative expense and fees associated with separate cashier checks. And just as an example, here in Lincoln, at present time, they have about 260 plus closings a year. And every time they do a...the city warrant must be issued to a bank, delivered to the bank, and a cashier's check issued. The check is then provided for the closing. So you have several steps that you have to go through. The current process is very time consuming for staff. Requires cutting two checks. As a primary class city, the city of Lincoln and the metropolitan city of Omaha are fiduciary sound institutions, and we'd just like to eliminate the requirement for the cashier's check. And, with that, I would ask for your support and advancement of 248 to E & R.

SPEAKER KRISTENSEN: Debate on advancement of the bill? I have lights on--Senator Brashear, Raikes, Schrock, Dwite Pedersen. Senator Schimek, you're recognized to close on advancement.

SENATOR SCHIMEK: I'll waive.

SPEAKER KRISTENSEN: She waives closing. The question before the body is the advancement of LB 248 to E & R Initial. All those in favor vote aye; all those opposed vote nay. Please record.