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January 15, 2004 LB 155

SENATOR CUDABACK: One minute.

SENATOR QUANDAHL: If I could respond to that, too.

SENATOR BEUTLER: Sure.

SENATOR QUANDAHL: And I can understand what the situation that you're trying to say there. Subsequent purchaser in that instance...the reason behind LB 155 wasn't to address a situation such as that. It was in response to a specific court case where there was an actual deed of trust foreclosure going on. And so I can say, I guess...and I'd be more than happy to try to work with you to figure out some way that if there was actual knowledge of that out there, if there wasn't some sort of insider collusion going on, that that would be taken into consideration. What this, what LB 155 was designed to affect was just these secret conveyances that nobody had knowledge of until after a foreclosure, until after the subsequent purchaser has already recorded its deed with the Register of Deeds, and then all of a sudden this secret lease pops up...

SENATOR CUDABACK: Time.

SENATOR QUANDAHL: ...and trumps the subsequent purchaser.

SENATOR CUDABACK: You may continue, Senator Beutler. And this will be your third time, Senator, as you know.

SENATOR BEUTLER: So you would say that that subsequent purchaser was not in good faith if he knew about the lease, and so his...

SENATOR CUDABACK: Senator Quandahl.

SENATOR BEUTLER: ...interest would not come ahead of the lease? Is that how...what you would argue?

SENATOR QUANDAHL: That is what I would say, too. If it's not in good faith. It's just about these secret leases that pop up that supposedly nobody has knowledge of.