## TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE Transcriber's Office FLOOR DEBATE

February 25, 2005 LB 298

represents. Having said that in favor of Senator Landis' bill, think it's interesting to read the preface to the Uniform Environmental Covenants Act. This bill appears to constructed along those lines. And I want to get into Senator Landis...with Senator Landis as to how the bill was constructed, and what was used, and that kind of thing. But it states in the preface to the Uniform Environmental Covenants Act, principal policies are served by confirming the validity of environmental covenants. One is to ensure that land use restrictions, mandated environmental monitoring requirements, and a wide range of common engineering controls designed to control the potential environmental risk of residual contamination, will be reflected on the land records and effectively enforced over time as a valid, real property certitude. This act addresses a variety of common doctrines, the same doctrines that led to adoption of the Uniform Conservation Easement Act, that cast doubt on such enforceability. So in other words, it's creating a somewhat slightly different and new kind of covenant that can run with the land, apply to future owners, and serve the purpose of identifying to people what those limited uses are as property transfers from hand to hand. The second important policy served by these kinds of covenants is the return of previously contaminated property, often located in urban areas, to the stream of commerce. The environmental and real estate and real property legal communities have often been unable to identify a common set of principles applicable to such properties. The frequent result has been that these properties do not attract interested purchasers, and therefore remain vacant, blighted, and unproductive. This is an undesirable outcome communities seeking to return once important commercial sites to productive use. But I think it should also be remembered that it's an undesirable result if people are allowed to use these properties and not protected from the contamination that's there. And so the nature of these covenants, the nature of the agreement under which a covenant is constructed, the parties to the agreement, who can enforce agreements, all of these little technical things become the devils in the details. And they are indeed important.

SENATOR CUDABACK: Senator Beutler, are you...you may continue.