

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

March 8, 2005

LB 97

a future advances clause in it. And that means simply that not only do they make a loan when the mortgage or deed of trust is filed initially, but, using that same mortgage or deed of trust, at some future time they may make an additional loan, secured by that same instrument. So 10 years out, 20 years out, 25 years out, they may be making loans secured by that deed of trust or mortgage. And they saw this curative statute as being a problem, and suggested, in the green copy of the bill, that that type of instrument that includes future advances clauses should be exempted out entirely from the operative provision of this curative statute. And the title insurance industry didn't like that particular solution. But the two groups were able to get together on a compromise solution that everybody is happy with, and that is in the committee amendment. And I will leave it to the Chair of the committee amendment to explain that compromise. Thank you.

SENATOR CUDABACK: Thank you, Senator Beutler. You've heard the opening on LB 97. There are committee amendments, as stated. Senator Friend, as Chairman of the committee, you're recognized to open. Senator Mines.

SENATOR MINES: Thank you, Mr. President, colleagues. As Senator Beutler explained, the committee amendment, which is AM0172, strikes the bill's original amendment and...to Section 76-239. Four provisions are included in the amendment. First, it provides that Section 76-239 applies to trust deeds, or deeds of trust, as well as to mortgages and real estate contracts. Secondly, it provides that in cases where the date of maturity of debt or obligation secured by a trust deed, mortgage, or real estate contract cannot be ascertained from the record of the deed of trust, mortgage, or contract, the record of the deed of trust, mortgage, or contract shall cease to be notice of the existence and lien of the deed of trust, mortgage, or contract to subsequent encumbrances and purchasers after the expiration of the operative is 30 years rather than 20 years from the date of the deed of trust, mortgage, or contract. Number three, it provides that the bill shall not affect or alter the status of any deed of trust, mortgage, or contract already rendered prior...excuse me, already rendered void prior to the effective date of the bill. And fourth and finally, it