

ONE HUNDRED THIRD LEGISLATURE - SECOND SESSION - 2014
COMMITTEE STATEMENT (CORRECTED)
LB915

Hearing Date: Tuesday January 28, 2014
Committee On: Urban Affairs
Introducer: Crawford
One Liner: Provide for a person to accept city or village ordinance violation notices during mortgage foreclosure or trust deed default

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye:	5	Senators Coash, Crawford, Karpisek, Krist, McGill
Nay:		
Absent:	2	Senators Ashford, Lautenbaugh
Present Not Voting:		

Proponents:

Senator Crawford
Larry D. Burks
Gary Krumland
Jack Cheloha

Representing:

self
City of Bellevue
League of Nebraska Municipalities
City of Omaha

Opponents:

Representing:

Neutral:

Jerry Stilmock

Representing:

Nebraska Banker Association

Summary of purpose and/or changes:

LB 915 is a bill that creates a notification process for code violations on foreclosed properties.

Comments/Analysis:

Section one amends Neb.Rev.Stat. 25-2142 by adding new language which would require the complainant (person or entity filing the complaint/action to foreclose) to provide the name and address of a person to accept notices of violations committed by the owner of the property which is the subject of a filing of a complaint for the foreclosure or satisfaction of a mortgage. The name and address must be provided within five days after the receipt of a written request by a representative of the city or village the property being foreclosed on is located within.

The purpose of this is so that the city or village has a permanent contact name and address they can use to send notice of violations to, in situations where the house or property is being foreclosed on and the owner of the property cannot be located to accept the notice of violations from the city or village.

This section also specifically states that failure to provide the name and address required shall not void, invalidate, or affect in any way a notice of default filed under this section.

Section two amends Neb.Rev.Stat. 76-1006 to include this exact same language and requirement for a trustee or the attorney for the trustee, when handling a default filing for trust deeds, including providing the name and address of a person designated by the beneficiary of the trust deed to accept notices of violation of ordinances by the owner of the property, that come from the city or village within which the property is located. Additionally, failure to provide this

information does not void, invalidate, or affect the notice of default filed in this section.

Section three amends Neb.Rev.Stat. 76-1012 to include a reference to the changes in numbering the sections made in 76-1006 for notice of default under trust deeds.

Explanation of amendments:

Amendment Summary: The amendment to LB 915 is drafted to clarify that there is no duty to maintain the property imposed upon the complainant who is required to provide the name and address of a person designated by the complainant to accept notices of ordinance violations from the incorporated city or village that has jurisdiction over the mortgaged property.

This same language is applied in both sections that are changed by LB 915, to apply also to trust property that has a notice of default filed, ensuring that no duty to maintain the trust property is imposed upon the beneficiary, trustee, or attorney for the trustee.

The amendment language also provides that the designation of a representative to accept notices from the city shall terminate upon transfer of fee title ownership to the property.

Amanda McGill, Chairperson