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LB 814

or another they happened to put it in his name only. They go on for twenty years, he gets into a little trouble in his life, he runs off to Las Vegas with another woman, spends all the money that he has borrowed from the bank, money he signed on a note by h'mself, spends all that, doesn't have the money to pay it back. Now he comes back and the bank wants payment, and the bank is going to get a judgment against him. After they get a judgment against him, then they are going to go after that house, which is in his name alone, even though she has worked for 20 years and contributed to that house. The equity is that she has a lot in that house. So under this bill the kind of....if he conveyed that house back to her in order to let her retain her share of it before the creditors got it, that would be a fraudulent transfer, I believe. I hope Senator Johnson will address himself to that. So all I am saying here is that a husband ought to be able to convey at least a portion of that property back to the wife before the creditors get it so that she is not wiped out of her home altogether, and that is the intent of this amendment. Thank you.

SPEAKER MARVEL: The Chair recognizes Senator Johnson.

SENATOR JOHNSON: Well, Mr. Speaker and members of the body, I am going to rise in opposition to Senator Beutler's amendment. I can appreciate his sensitivity to the subject. Since he has become acquainted this session with the difficulties that women and children do have and he has attempted to add to their problems with LB 306, Senator Beutler would now exonerate them, so to speak, from their problems to the detriment of the creditors of our state through what appears to be an innocuous amendment to LB 814. This is not, however, an innocuous amendment. Senator Beutler says that the homestead exemption....I'm sorry, he says that the homestead itself shall not be subject to the operation of this act, that is it shall not be treated as.... there is no way that a homestead conveyance can be treated as a fraudulent conveyance. How does he then define a homestead? Well, he defines it as meaning the house in which the spouse resides and twenty contiguous acres. Well, twenty contiguous acres in Omaha is a lot of ground, and the same is true in Senator Beutler's City of Lincoln I am confident. Actually, twenty contiguous acres, according to some of my farming friends, is pretty substantial grounds in rural Nebraska. At \$2000 an acre that would be worth approximately \$40,000, and that doesn't even count the house. I want you to know right now that the Legislature has dealt with a homestead exemption in terms of a house. It says that creditors cannot go after the debtor's homestead, that is,