

May 20, 1981

LB 512

we are back on the construction lien law, and as you may recall, on General File the committee amendments were rejected and we ended up with 512 in its original form which is a bill that gives good but not absolute protection to the homeowner. It is a bill conceptually, as you may recall, that provides that the homeowner will never pay twice except in some certain circumstances where he refuses to give notice or to pay attention to a notice which he has sent. Let me update you a little bit on where we have been and where we are going so you will have some perspective on the amendments before us and what you might expect in terms of debate today. First of all, there has been a very recent change here in the sense that the original Peterson amendments, both sets have been withdrawn, all amendments have been withdrawn now, except one last set of amendments by Senator Peterson and some others. In addition to that set of amendments which will come up immediately after these amendments, you have the amendments before you which do two things, one of which is unimportant and the other of which represents a major, major concession from those of us who are proponents of LB 512. The committee amendments are, first of all, technical amendments which drop out of the bill some language that was complained about by the opponents of the bill, and which we felt that was ultimately unnecessary because of court interpretation and other language in the statutes. That is the unimportant part. The second part of the amendment restores to those who build commercial and industrial buildings, restores to them their original rights, that is the same rights that they have under the law currently they will continue to have under LB 512 as it would be amended with this amendment. Basically, with regard to commercial and industrial construction, there will be no necessity for sending a notice to the homeowner or to the contracting owner of the building, and their lien rights will not be limited to the unpaid contract amount but will rather be what they are now the amount that is unpaid in its full amount. So I think probably that there is no objection to these amendments since they go in the direction that even the opponents of the bill would like to go, and so rather than bend your ear now, the real discussion will be on the upcoming Peterson amendments, and I will address those at the appropriate time. I would be glad to answer any questions. Thank you.

SPEAKER MARVEL: Senator Howard Peterson.

SENATOR H. PETERSON: Mr. Chairman, I would like to ask Senator Beutler if he would yield to some questions, please. Senator Beutler, my understanding is that the general purpose of your amendment is to extend commercial construction...