

Chair recognizes Senator Peterson.

SENATOR H. PETERSON: Mr. Chairman and members of the Legislature, I hope you have had an opportunity this morning to read the material that has been placed at your desk. LB 512 is a bill that in my opinion is legislative overkill and by now that should be apparent to all of us. The problem has been demonstrated to be the hidden lien. That problem was appropriately addressed by my amendment on Select File, which received 20 votes. The hidden lien problem is now being solved by a comprehensive redraft of the entire lien law. Now we have notices of commencement, notice of termination of commencement, notice of lien liability and various other changes to priorities, attachment of liens, waivers of liens, all of which go far beyond the initial problem, the hidden lien. LB 512 is exceedingly complex. I have distributed legal opinions from lawyers who will be having to use the law. Let me just quote from two that I have placed at your desk this morning. Nelson and Harding, written by Christy Schwartzkopf: "The amendments do muddy the waters. The quagmire of notices is now complicated by a dual system, one applying to commercial and one applying to residential, even more convoluted than LB 512 as introduced. The lien rights of most of ABC's members appear to be further eroded." And from the Vestecka firm and Tegtmeier firm: "I have spent many hours reading and rereading this bill, and I might add that even though I have had considerable training and experience in interpreting legislation, I find several parts of this legislation to be very complex and confusing, and I am not alone. It is very unfortunate indeed that what is intended to be a simplification of the law will require an attorney to figure it out. If you think for one minute this is not going to increase the cost of every transaction, you are mistaken. There will be attorneys involved in all stages of construction for years to help understand and learn how this bill is to work." It is far more complex than we have been told here on the floor. The problem has been so well explained and detailed that this body has lost sight of the need for a simple to understand solution for the consumer and the tradesman to use. Number three, LB 512 is supposed to give the consumers some peace of mind. Basically, based upon having to pay twice, I would like to direct your attention to a letter from the Millard Lumber Company indicating the steps that it will take. These include giving notice to the homeowners, and as that letter points out, Section 25 requires the homeowners to do four things. This bill