

begin. The mediation procedure as we have it outlined would not be a mandatory process. It would be a process which would be elective with the borrower after the notice to cure the redress is sent out by the lender. I want to call your attention to the fact that I believe Minnesota and Iowa have both enacted this type of legislation. I have reviewed that legislation. There are some considerable differences but I would think that I would probably prefer the Iowa legislation to the Minnesota. This amendment is not intended to severely limit the lender's ability to foreclose if mediation is not successful. It extends the time for curing the liability from two to three months, if mediation is elected, because I believe it would take time for the process to be successful. I do not believe that would seriously impair the lender's ultimate remedy. I know, Mr. President, that there are many important issues to be discussed on this floor at this time.

SPEAKER NICHOL: (Gavel) Could we please have your attention, it is getting a little noisy and I can't hear the speaker.

SENATOR SCHMIT: But in view of the seriousness of the situation which we are discussing, I would appreciate very much if the membership would listen to my explanation of this amendment. I'll say very frankly that if the amendment does not become a part of the bill at this time, that I would fully expect that there will be a rash of this type of amendment introduced during the next legislative session. I would suppose that there would be some who will no doubt propose it as an original idea, which is all right with me. But I would hope that you would listen now and maybe have a chance to review some of the reasons why I think this might work. It is intended to work within the confines of LB 3. It is not to say that the mediation itself could not be a separate kind of bill, and perhaps that is the way that it will someday be offered to you. I think that it is a better solution than one where the lender and the borrower meet in adversarial conquest. I want to point out as I said earlier, we are inclined from time to time to hear and read about the confrontations between borrower and lender, but I can tell you from experience that I have undergone in the last several years, there are a substantial number of individuals out there on both sides who are anxious for as equitable a settlement of the problems as is possible to bring about. Many times the lender has been involved with the borrower for many, many years. He has seen that borrower progress from a small farmer to a substantial farmer and it is not with any great degree of satisfaction, in fact, it is with no satisfaction at