

ONE HUNDRED SECOND LEGISLATURE - FIRST SESSION - 2011
COMMITTEE STATEMENT
LB26

Hearing Date: Tuesday January 25, 2011
Committee On: Banking, Commerce and Insurance
Introducer: Langemeier
One Liner: Adopt the Private Transfer Fee Obligation Act

Roll Call Vote - Final Committee Action:
Advanced to General File

Vote Results:

Aye:	7	Senators Gloor, Langemeier, McCoy, Pahls, Pankonin, Pirsch, Utter
Nay:		
Absent:	1	Senator Christensen
Present Not Voting:		

Proponents:

Senator Chris Langemeier
Joe Gehrki
James Lamphere
Robert Hallstrom
Greg Lemon

Representing:

Introducer
NE Realtors Assn
NE Land Title Assn
NE Bankers Assn
NE Real Estate Commission

Opponents:

Representing:

Neutral:

Representing:

Summary of purpose and/or changes:

OVERVIEW

LB26 (Langemeier) would enact 12 new sections and would amend section 76-2,120 to provide that "a private transfer fee obligation" recorded or entered into on or after the effective date of the bill does not run with the title to real estate and is not binding on or enforceable against any subsequent owner, purchaser, mortgagee, or trustee of any interest in real property.

SUMMARY

The bill would provide, section by section, as follows:

Section 1 would enact a new section to provide for a named act: the Private Transfer Fee Obligation Act.

Section 2 would enact a new section to provide for legislative findings and declarations.

Sections 3 to 8 would enact new sections to provide for definitions: (1)"environmental covenant;" (2)"payee;" (3) "private transfer fee" - a fee or charge payable upon the transfer of an interest in real property, or payable for the right to make or accept such transfer, regardless of whether it is a fixed amount or is a percentage of the property's value, the purchase price, or other consideration given for the transfer, subject to enumerated exceptions; (4) "private transfer fee obligation" - an obligation arising under a contractual agreement or promise, whether or not recorded, that requires payment of a private transfer fee upon a subsequent transfer of an interest in the real property; and "transfer."

Section 9 would enact a new section to provide that a private transfer fee obligation recorded or entered into on or after the effective date of this bill does not run with the title to real property and is not binding on or enforceable against any subsequent owner, purchaser, mortgagee, or trustee of any interest in real property.

Section 10 would enact a new section to provide for liability of any person who records or enters into an agreement imposing a private transfer fee obligation in his or her favor after the effective date of this bill.

Section 11 would enact a new section to provide disclosure requirements regarding a contract for the sale of real property subject to a private transfer fee obligation.

Section 12 would enact a new section to provide requirements with regard to a private transfer fee obligation in existence prior to the effective date of this bill.

Section 13 would amend section 76-2,120 to provide that a seller's written disclosure statement shall include a disclosure of the existence of any private transfer fee obligation.

Section 14 would provide for a repealer of the amendatory section.

Section 15 would provide for the emergency clause.

Rich Pahls, Chairperson