



**Hundredth Legislature - First Session - 2007  
Committee Statement  
LB 128**

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**Hearing Date:** January 30, 2007  
**Committee On:** Banking, Commerce and Insurance

**Introducer(s):** (Pahls)  
**Title:** Change the Nebraska Installment Sales Act

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**Roll Call Vote – Final Committee Action:**

- Advanced to General File
  - X Advanced to General File with Amendments
  - Indefinitely Postponed
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**Vote Results:**

7	Yes	Senators Pahls, Langemeier, Carlson, Christensen, Gay, Hansen, Pirsch
	No	
	Present, not voting	
1	Absent	Senator Pankonin

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**Proponents:**  
Senator Rich Pahls  
John Munn

**Representing:**  
Introducer  
NE Department of Banking and Finance

**Opponents:**

**Representing:**

**Neutral:**

**Representing:**

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**Summary of purpose and/or changes:**

LB 128 (Pahls, Carlson, Christensen, Gay, Hansen, Langemeier, Pankonin, Pirsch), introduced at the request of the Director of Banking and Finance, would amend sections 45-334, 45-340, 45-344, 45-346, 45-352, and 45-353 of the Nebraska Installment Sales Act and add a new section to the act to impose minimum net worth requirement of \$100,000 and surety bond requirement of \$50,000 for initial and ongoing licensing under the act.

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

Section 1 would amend section 45-334 to provide that new section 5 shall be assigned within the Nebraska Installment Sales Act.

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Sections 2 and 3 would amend sections 45-340 and 45-344 of the Installment Sales Act to update internal references to the act.

Section 4 would amend section 45-346 of the Installment Sales Act to provide that applicants for an installment sales license shall show a minimum net worth of \$100,000 and shall file a surety bond in the amount of \$50,000. Some provisions of this section would be either rearranged or moved to new section 5 so that initial licensing conditions would be in section 4 and ongoing requirements and renewal would be in section 5.

Section 5 would enact a new section within the Nebraska Installment Sales Act to provide that the net worth and surety bond requirements amended into section 45-346 by section 4 shall be ongoing and that failure to comply may lead to issuance of a notice of cancellation of the installment sales license by the Department of Banking and Finance. Current licensees would have until October 1, 2008 to meet the net worth and surety bond requirements. Some provisions of this section would be provisions moved to it from section 45-346 as amended by section 4 so that initial licensing conditions would be in section 4 and ongoing requirements and renewal would be in section 5.

**Explanation of amendments, if any:**

The committee amendments (AM109) would make one clean-up amendment: In section 5, on page 6, line 10, "surety" would be inserted after "The".

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**Senator Rich Pahls, Chairperson**