

**ONE HUNDREDTH LEGISLATURE - SECOND SESSION -
2008**

COMMITTEE STATEMENT

LB717

Hearing Date: January 22, 2008

Committee On: Banking, Commerce and Insurance

Introducer(s): (Pahls)

Title: Change provisions relating to finance

Roll Call Vote - Final Committee Action:

Placed on General File with Amendments

Vote Results:

7 Yes Senators Carlson, Christensen, Gay, Hansen, Pahls,
Pankonin, Pirsch

0 No

0 Absent

1 Present, not voting Senator Langemeier

Proponents:

Senator Rich Pahls
Robert Hallstrom

Representing:

Introducer
NE Bankers Association

Opponents:

Representing:

Neutral:

John Munn

Representing:

Dept. of Banking and Finance

Summary of purpose and/or change:

LB 717 (Pahls) would amend various sections regarding finance. The bill would provide, section by section, as follows:

BANKS

Section 1 would amend section 8-115.01 of the Nebraska Banking Act to provide that notice to other financial institutions regarding an application by a bank for a new charter, to transfer a charter, or to move a main office shall be sent by the Director of Banking and Finance by “first-class mail, postage prepaid,” rather than by “certified mail.”

Section 2 would amend section 8-143.01 of the Nebraska Banking Act to clarify that an executive officer of a bank may be exempted from designation as an executive officer by board of directors resolution or bank bylaws if such individual is not authorized to participate and does not participate in the major policy making functions of the bank.

Section 3 would amend section 8-157 of the Nebraska Banking Act to provide that notice to other financial institutions regarding an application by a bank for a branch, to establish a mobile branch, to acquire a branch, or to move a branch shall be sent by the Director of Banking and Finance by “first-class mail, postage prepaid,” rather than by “certified mail.”

TRUST COMPANIES

Section 4 would amend section 8-234 of the Nebraska Trust Company Act to provide that notice to other financial institutions regarding an application to establish a branch trust office shall be sent by the Director of Banking and Finance by “first-class mail, postage prepaid,” rather than by “certified mail.”

BUILDING AND LOAN ASSOCIATIONS

Section 5 would amend section 8-374 of the building and loan association statutes to provide that the expense of “any” publication of notice regarding an application for a certificate of approval for a capital stock savings and loan association shall be paid by the applicant.

ACQUISITION OR MERGER OF FINANCIAL INSTITUTIONS

Section 6 would amend section 8-1510 to provide that notice to other financial institutions regarding an application for cross-industry acquisition or merger shall be sent by the Director of Banking and Finance by “first-class mail, postage prepaid,” rather than by “certified mail” or may be sent by “electronic mail” if the financial institution agrees in advance to receive notices by it.

FORECLOSURE

Section 7 would amend section 25-202 to provide that its provisions regarding the statute of limitations for causes of actions for foreclosure of mortgages also apply to deeds of trust and that if no date of maturity is stated or ascertainable from the filed mortgage or deed of trust the cause of action for foreclosure accrues no later than “thirty” years rather than no later than “twenty” years after the date of the mortgage or deed of trust.

RECOGNITION OF ACKNOWLEDGMENTS

Section 8 would amend section 64-214 to provide that it is lawful for an employee or agent of a bank, as well as a stockholder or director of a bank, who is a notary public, to take the acknowledgment of any person to any written instrument given to or by the bank and to administer an oath to any other stockholder, director, officer, employee, or agent of the bank.

Section 9 would provide for repealers of amendatory sections.

Section 10 would provide for outright repeal of section 30-3206 regarding short-term placement of funds awaiting investment or distribution by a bank or trust company serving as a fiduciary in deposits of the commercial department of such bank or trust company.

Explanation of amendments, if any:

The committee amendments would add the emergency clause.

Senator Rich Pahls, Chairperson