

LEGISLATURE OF NEBRASKA

ONE HUNDREDTH LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL 980

Introduced by Carlson, 38.

Read first time January 15, 2008

Committee: Banking, Commerce and Insurance

A BILL

1 FOR AN ACT relating to the Nebraska Real Estate License Act;
2 to amend section 81-885.21, Reissue Revised Statutes
3 of Nebraska; to change provisions relating to trust
4 accounts; and to repeal the original section.
5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 81-885.21, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 81-885.21 (1) Each broker other than an inactive broker
4 shall maintain in a ~~bank, savings bank, building and loan~~
5 ~~association, or savings and loan association~~ federally insured
6 financial institution a separate, insured non-interest-bearing
7 checking or share draft account in this state in his or her
8 name or the name under which he or she does business which shall
9 be designated a trust account in which all downpayments, earnest
10 money deposits, or other trust funds received by him or her, his or
11 her associate brokers, or his or her salespersons on behalf of his
12 or her principal or any other person shall be deposited and remain
13 until the transaction is closed or otherwise terminated unless all
14 parties having an interest in the funds have agreed otherwise in
15 writing.

16 (2) Each broker shall notify the commission of the
17 name of the ~~bank, savings bank, building and loan association,~~
18 ~~or savings and loan association~~ federally insured financial
19 institution in which the trust account is maintained and also the
20 name of the account on forms provided therefor.

21 (3) Each broker shall authorize the commission to examine
22 such trust account by a duly authorized representative of the
23 commission. Such examination shall be made annually or at such time
24 as the commission may direct.

25 (4) A broker may maintain more than one trust account in

1 his or her name or the name under which he or she does business if
2 the commission is advised of such account as required in subsection
3 (2) of this section.

4 (5) In the event a branch office maintains a separate
5 trust account, a separate bookkeeping system shall be maintained in
6 the branch office.

7 (6) A broker shall not be entitled to any part of the
8 earnest money or other money paid to him or her or the entity
9 under which he or she does business in connection with any real
10 estate transaction as part or all of his or her compensation
11 or consideration until the transaction has been consummated or
12 terminated.

13 Sec. 2. Original section 81-885.21, Reissue Revised
14 Statutes of Nebraska, is repealed.