

ONE HUNDRED FIRST LEGISLATURE - SECOND SESSION - 2010
COMMITTEE STATEMENT (CORRECTED)
LB762

Hearing Date: Monday January 25, 2010
Committee On: Banking, Commerce and Insurance
Introducer: Pahls
One Liner: Change provisions relating to the unauthorized use of the word bank

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

Vote Results:

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

Proponents:

Senator Rich Pahls
Robert J. Hallstrom

Representing:

Introducer
NE Bankers Association

Opponents:

Representing:

Neutral:

John Munn

Representing:

NE Dept. of Banking and Finance

Summary of purpose and/or changes:

LB 762 (Pahls) would amend section 8-113 of the Nebraska Banking Act which currently provides that no individual, firm, company or corporation, or association, other than a bank, building and loan association, savings and loan association, or savings bank, shall use the word "bank" or any derivative thereof as any part of a title or description of any business activity. Section 8-113 contains an exclusive list of entities to which this prohibition does not apply.

The bill would provide that the prohibition would continue to not apply to section 501(c)(3) organizations as long as they are not providing or arranging for financial services subject to the authority of the Department of Banking and Finance, a foreign state agency, or the federal government.

The bill would provide, as a general rule, that the prohibition does not apply to an individual, firm, company, corporation, or association which uses the word "bank" or any derivative thereof as any part of a title or description of any business activity if such use is unlikely (1) to mislead or confuse the public or (2) give the impression that such individual, firm, company, corporation, or association is lawfully organized and operating as a bank, building and loan association, savings and loan association, or savings bank.

The bill carries the emergency clause.

Rich Pahls, Chairperson