



One Hundred First Legislature - Second Session - 2010  
**Introducer's Statement of Intent**  
**LB 752**

---

**Chairperson:** Rich Pahls  
**Committee:** Banking, Commerce and Insurance  
**Date of Hearing:** January 19, 2010

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

Under current law, trust companies are required to pledge securities with the Department of Banking for the protection of trust funds under its control. While trust companies are authorized to utilize a broad range of securities to satisfy the pledging requirements, they are expressly prohibited from pledging certificates of deposit.

LB 752 would reinstate the ability of trust companies to use certificates of deposit in complying with the pledging requirements under state law. The legislation would further prohibit any trust company pledging certificates of deposit in satisfaction of the pledging requirements from assigning, withdrawing or redeeming the certificates of deposit without substituting other securities of equal value in lieu of the securities so assigned, withdrawn, or redeemed.

**Principal Introducer:** \_\_\_\_\_  
**Senator Rich Pahls**