

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FOURTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 751**

FINAL READING

Introduced by Lindstrom, 18.

Read first time January 06, 2016

Committee: Banking, Commerce and Insurance

1 A BILL FOR AN ACT relating to banks and banking; to amend sections  
2 8-115.01, 8-117, 8-157, 8-234, 8-374, 8-1510, and 21-1725.01,  
3 Reissue Revised Statutes of Nebraska; to provide that payment of  
4 certain expenses is not a condition precedent to certain approvals  
5 by the Director of Banking and Finance; to change certain notice  
6 provisions; to repeal the original sections; and to declare an  
7 emergency.  
8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 8-115.01, Reissue Revised Statutes of Nebraska,  
2 is amended to read:

3 8-115.01 When an application required by section 8-120 is made by a  
4 corporation, the following procedures shall be followed:

5 (1) Except as provided for in subdivision (2) of this section, when  
6 application is made for a new bank charter, a public hearing shall be  
7 held on each application. Notice of the filing of the application shall  
8 be published by the department for three weeks in a legal newspaper  
9 published in or of general circulation in the county where the applicant  
10 proposes to operate the bank. The date for hearing the application shall  
11 be not less than thirty days after the last publication of notice of  
12 hearing and not more than ninety days after the application has been  
13 accepted for filing by the director as substantially complete unless the  
14 applicant agrees to a later date. Notice of the filing of the application  
15 shall be sent by the department to all financial institutions located in  
16 the county where the applicant proposes to operate;

17 (2) When application is made for a new bank charter and the director  
18 determines, in his or her discretion, that the conditions of subdivision  
19 (3) of this section are met, then the public hearing requirement of  
20 subdivision (1) of this section shall only be required if, (a) after  
21 publishing a notice of the proposed application in a newspaper of general  
22 circulation in the county where the main office of the applicant is to be  
23 located and (b) after giving notice to all financial institutions located  
24 within such county, the director receives a substantive objection to the  
25 application within fifteen days after the first day of publication;

26 (3) The director shall consider the following in each application  
27 before the public hearing requirement of subdivision (1) of this section  
28 may be waived:

29 (a) Whether the experience, character, and general fitness of the  
30 applicant and of the applicant's officers and directors are such as to  
31 warrant belief that the applicant will operate the business honestly,

1 fairly, and efficiently;

2 (b) Whether the length of time that the applicant or a majority of  
3 the applicant's officers, directors, and shareholders have been involved  
4 in the business of banking in this state has been for a minimum of five  
5 consecutive years; and

6 (c) Whether the condition of financial institutions currently owned  
7 by the applicant, the applicant's holding company, if any, or the  
8 applicant's officers, directors, or shareholders is such as to indicate  
9 that a hearing on the current application would not be necessary;

10 (4) Except as provided in subdivision (6) of this section, when  
11 application is made for transfer of a bank charter and move of the main  
12 office of a bank to any location other than within the corporate limits  
13 of the city or village of its original charter or, if such bank charter  
14 is not located in a city or village, then for transfer outside the county  
15 in which it is located, the director shall hold a hearing on the matter  
16 if he or she determines, in his or her discretion, that the condition of  
17 the applicant warrants a hearing. If the director determines that the  
18 condition of the applicant does not warrant a hearing, the director shall  
19 (a) publish a notice of the filing of the application in a newspaper of  
20 general circulation in the county where the proposed main office and  
21 charter of the applicant would be located and (b) give notice of such  
22 application to all financial institutions located within the county where  
23 the proposed main office and charter would be located and to such other  
24 interested parties as the director may determine. If the director  
25 receives any substantive objection to the proposed relocation within  
26 fifteen days after the first day of publication, he or she shall hold a  
27 hearing on the application. Notice of a hearing held pursuant to this  
28 subdivision shall be published for two consecutive weeks in a newspaper  
29 of general circulation in the county where the main office would be  
30 located. The date for hearing the application shall be not less than  
31 thirty days after the last publication of notice of hearing and not more

1 than ninety days after the application has been accepted for filing by  
2 the director as substantially complete unless the applicant agrees to a  
3 later date. When the persons making application for transfer of a main  
4 office and charter are officers or directors of the bank, there is a  
5 rebuttable presumption that such persons are parties of integrity and  
6 responsibility;

7 (5) Except as provided in subdivision (6) of this section, when  
8 application is made for a move of any bank's main office within the city,  
9 village, or county, if not chartered within a city or village, of its  
10 original charter, the director shall publish notice of the proposed move  
11 in a newspaper of general circulation in the county where the main office  
12 of the applicant is located and shall give notice of such intended move  
13 to all financial institutions located within the county where such bank  
14 is located. If the director receives a substantive objection to such move  
15 within fifteen days after publishing such notice, he or she shall publish  
16 an additional notice and hold a hearing as provided in subdivision (1) of  
17 this section;

18 (6) With the approval of the director, a bank may move its main  
19 office and charter to the location of a branch of the bank without public  
20 notice or hearing as long as (a) the condition of the bank, in the  
21 discretion of the director, does not warrant a hearing and (b) the branch  
22 (i) is located in Nebraska, (ii) has been in operation for at least one  
23 year as a branch of the bank or was acquired by the bank pursuant to  
24 section 8-1506 or 8-1516, and (iii) is simultaneously relocated to the  
25 original main office location;

26 (7) The director shall send any notice to financial institutions  
27 required by this section by first-class mail, postage prepaid, or  
28 electronic mail. Electronic mail may be used if the financial institution  
29 agrees in advance to receive such notices by electronic mail. A financial  
30 institution may designate one office for receipt of any such notice if it  
31 has more than one office located within the county where such notice is

1 to be sent or a main office in a county other than the county where such  
2 notice is to be sent;

3 (8) The expense of any publication and mailing required by this  
4 section shall be paid by the applicant but payment shall not be a  
5 condition precedent to approval by the director; and

6 (9) Notwithstanding any provision of this section, the director  
7 shall take immediate action on any charter application or applications  
8 concerned without the benefit of a hearing in the case of an emergency so  
9 declared by the Governor, the Secretary of State, and the director.

10 Sec. 2. Section 8-117, Reissue Revised Statutes of Nebraska, is  
11 amended to read:

12 8-117 (1)(a) The director may grant approval for a conditional bank  
13 charter which may remain inactive for an initial period of up to eighteen  
14 months.

15 (b) The purpose for which a conditional bank charter may be granted  
16 is limited to the acquisition or potential acquisition of a financial  
17 institution which (i) is located in this state or which has a branch in  
18 this state and (ii) has been determined to be troubled or failing by its  
19 primary state or federal regulator.

20 (2) A person or persons organizing for and desiring to obtain a  
21 conditional bank charter shall make, under oath, and transmit to the  
22 department an application prescribed by the department, to include, but  
23 not be limited to:

24 (a) The name of the proposed bank;

25 (b) A draft copy of the articles of incorporation of the proposed  
26 bank;

27 (c) The names, addresses, financial condition, and business history  
28 of the proposed stockholders, officers, and directors of the proposed  
29 bank;

30 (d) The sources and amounts of capital that would be available to  
31 the proposed bank; and

1 (e) A preliminary business plan describing the operations of the  
2 proposed bank.

3 (3) Upon receipt of a substantially completed application for a  
4 conditional bank charter and payment of the fee required by section  
5 8-602, the director may, in his or her discretion, hold a public hearing  
6 on the application. If a hearing is to be held, notice of the filing of  
7 the application and the date of hearing thereon shall be published by the  
8 department for three weeks in a minimum of two newspapers with general  
9 circulation in Nebraska. The newspapers shall be selected at the  
10 director's discretion, except that the director shall consider the county  
11 or counties of residence of the proposed members of the board of  
12 directors of the proposed conditional bank charter in making such  
13 selection. The date for hearing the application shall be not less than  
14 thirty days after the last publication of notice of hearing. Notice shall  
15 also be sent by first-class mail to the main office of all financial  
16 institutions doing business in the state. Electronic mail may be used if  
17 a financial institution agrees in advance to receive such notice by  
18 electronic mail.

19 (4) If the director determines that a hearing on the application for  
20 a conditional bank charter is not necessary, then the department shall  
21 publish a notice of the proposed application in a minimum of two  
22 newspapers of general circulation in Nebraska. The newspapers shall be  
23 selected in accordance with subsection (3) of this section. The  
24 department shall send notice of the application by first-class mail to  
25 the main office of all financial institutions doing business in the  
26 state. Electronic mail may be used if a financial institution agrees in  
27 advance to receive such notice by electronic mail. If the director  
28 receives a substantive objection to the application within fifteen days  
29 after the publication or notice, whichever occurs last, a hearing shall  
30 be scheduled on the application.

31 (5) The expense of any publication and mailing required by this

1 section shall be paid by the applicant but payment shall not be a  
2 condition precedent to approval by the director.

3 (6) If the department upon investigation and after any public  
4 hearing on the application is satisfied that (a) the stockholders,  
5 officers, and directors of the proposed corporation applying for such  
6 conditional bank charter are parties of integrity and responsibility, (b)  
7 the applicant has sufficient sources and amounts of capital available to  
8 the proposed bank, and (c) the applicant has a business plan describing  
9 the operations of the proposed bank that indicates the proposed bank has  
10 a reasonable probability of usefulness and success, the department shall,  
11 upon the payment of any required fees and costs, grant a conditional bank  
12 charter effective for a period not to exceed eighteen months from the  
13 date of issuance.

14 (7) A conditional bank charter may be converted to a full bank  
15 charter upon proof satisfactory to the department that:

16 (a) The financial institution to be acquired is in a troubled or  
17 failing status as required by subsection (1) of this section;

18 (b) The requirements of section 8-110 have been met;

19 (c) The requirements of section 8-702 have been met;

20 (d) Capital stock and surplus in amounts determined pursuant to  
21 section 8-116 have been paid in;

22 (e) The fees required by section 8-602 have been paid to the  
23 department; and

24 (f) Any other conditions imposed by the director have been complied  
25 with.

26 (8) A conditional bank charter may be extended for successive  
27 periods of one year if the holder of the charter files a written request  
28 for an extension of such charter at least ninety days prior to the  
29 expiration date of such charter. Such request shall be accompanied by (a)  
30 any information deemed necessary by the department to assure itself that  
31 the requirements of subsection (6) of this section continue to be met and

1 (b) the fee required by section 8-602.

2 (9) The department shall issue a notice of expiration of a  
3 conditional bank charter if eighteen months have passed since the  
4 issuance of such charter and the holder of such charter (a) has not  
5 converted to a full bank charter pursuant to subsection (7) of this  
6 section, (b) has not made a request for an extension pursuant to  
7 subsection (8) of this section, or (c) has made a request for an  
8 extension pursuant to subsection (8) of this section which was not  
9 approved by the department.

10 Sec. 3. Section 8-157, Reissue Revised Statutes of Nebraska, is  
11 amended to read:

12 8-157 (1) Except as otherwise provided in this section and section  
13 8-2103, the general business of every bank shall be transacted at the  
14 place of business specified in its charter.

15 (2)(a)(i) Except as provided in subdivision (2)(a)(ii) of this  
16 section, with the approval of the director, any bank located in this  
17 state may establish and maintain in this state an unlimited number of  
18 branches at which all banking transactions allowed by law may be made.

19 (ii) Any bank that owns or controls more than twenty-two percent of  
20 the total deposits in Nebraska, as described in subdivision (2)(c) of  
21 section 8-910 and computed in accordance with subsection (3) of section  
22 8-910, or any bank that is a subsidiary of a bank holding company that  
23 owns or controls more than twenty-two percent of the total deposits in  
24 Nebraska, as described in subdivision (2)(c) of section 8-910 and  
25 computed in accordance with subsection (3) of section 8-910, shall not  
26 establish and maintain an unlimited number of branches as provided in  
27 subdivision (2)(a)(i) of this section. With the approval of the director,  
28 a bank as described in this subdivision may establish and maintain in the  
29 county in which such bank is located an unlimited number of branches at  
30 which all banking transactions allowed by law may be made, except that if  
31 such bank is located in a Class I or Class III county, such bank may



1 establish and maintain in Class I and Class III counties an unlimited  
2 number of branches at which all banking transactions allowed by law may  
3 be made.

4 (iii) Any bank which establishes and maintains branches pursuant to  
5 subdivision (2)(a)(i) of this section and which subsequently becomes a  
6 bank as described in subdivision (2)(a)(ii) of this section shall not be  
7 subject to the limitations as to location of branches contained in  
8 subdivision (2)(a)(ii) of this section with regard to any such  
9 established branch and shall continue to be entitled to maintain any such  
10 established branch as if such bank had not become a bank as described in  
11 subdivision (2)(a)(ii) of this section.

12 (b) With the approval of the director, any bank or any branch may  
13 establish and maintain a mobile branch at which all banking transactions  
14 allowed by law may be made. Such mobile branch may consist of one or more  
15 vehicles which may transact business only within the county in which such  
16 bank or such branch is located and within counties in this state which  
17 adjoin such county.

18 (c) For purposes of this subsection:

19 (i) Class I county means a county in this state with a population of  
20 three hundred thousand or more as determined by the most recent federal  
21 decennial census;

22 (ii) Class II county means a county in this state with a population  
23 of at least two hundred thousand and less than three hundred thousand as  
24 determined by the most recent federal decennial census;

25 (iii) Class III county means a county in this state with a  
26 population of at least one hundred thousand and less than two hundred  
27 thousand as determined by the most recent federal decennial census; and

28 (iv) Class IV county means a county in this state with a population  
29 of less than one hundred thousand as determined by the most recent  
30 federal decennial census.

31 (3) With the approval of the director, a bank may establish and

1 maintain branches acquired pursuant to section 8-1506 or 8-1516. All  
2 banking transactions allowed by law may be made at such branches.

3 (4) With the approval of the director, a bank may acquire the assets  
4 and assume the deposits of a branch of another financial institution in  
5 Nebraska if the acquired branch is converted to a branch of the acquiring  
6 bank. All banking transactions allowed by law may be made at a branch  
7 acquired pursuant to this subsection.

8 (5) With the approval of the director, a bank may establish a branch  
9 pursuant to subdivision (6) of section 8-115.01. All banking transactions  
10 allowed by law may be made at such branch.

11 (6) The name given to any branch established and maintained pursuant  
12 to this section shall not be substantially similar to the name of any  
13 existing bank or branch which is unaffiliated with the newly created  
14 branch and is located in the same city, village, or county. The name of  
15 such newly created branch shall be approved by the director.

16 (7) A bank which has a main chartered office or an approved branch  
17 located in the State of Nebraska may, through any of its executive  
18 officers, including executive officers licensed as such pursuant to  
19 section 8-139, or designated agents, conduct a loan closing at a location  
20 other than the place of business specified in the bank's charter or any  
21 branch thereof.

22 (8) A bank which has a main chartered office or approved branch  
23 located in the State of Nebraska may, upon notification to the  
24 department, establish savings account programs at any elementary or  
25 secondary school, whether public or private, that has students who reside  
26 in the same city or village as the main chartered office or branch of the  
27 bank, or, if the main office of the bank is located in an unincorporated  
28 area of a county, at any school that has students who reside in the same  
29 unincorporated area. The savings account programs shall be limited to the  
30 establishment of individual student accounts and the receipt of deposits  
31 for such accounts.

1           (9) Upon receiving an application for a branch to be established  
2 pursuant to subdivision (2)(a) of this section, to establish a mobile  
3 branch pursuant to subdivision (2)(b) of this section, to acquire a  
4 branch of another financial institution pursuant to subsection (4) of  
5 this section, to establish or acquire a branch pursuant to subsection (1)  
6 of section 8-2103, or to move the location of an established branch other  
7 than a move made pursuant to subdivision (6) of section 8-115.01, the  
8 director shall hold a public hearing on the matter if he or she  
9 determines, in his or her discretion, that the condition of the applicant  
10 bank warrants a hearing. If the director determines that the condition of  
11 the bank does not warrant a hearing, the director shall ~~(a) publish a~~  
12 ~~notice of the filing of the application in a newspaper of general~~  
13 ~~circulation in the county where the proposed branch or mobile branch~~  
14 ~~would be located, the expense of which shall be paid by the applicant~~  
15 ~~bank, and (b) give notice of such application to all financial~~  
16 ~~institutions located within the county where the proposed branch or~~  
17 ~~mobile branch would be located and to such other interested parties as~~  
18 ~~the director may determine. The director shall send the notice to~~  
19 ~~financial institutions by first-class mail, postage prepaid, or~~  
20 ~~electronic mail. Electronic mail may be used if the financial institution~~  
21 ~~agrees in advance to receive such notices by electronic mail. A financial~~  
22 ~~institution may designate one office for receipt of any such notice if it~~  
23 ~~has more than one office located within the county where such notice is~~  
24 ~~to be sent or a main office in a county other than the county where such~~  
25 ~~notice is to be sent. If the director receives any substantive objection~~  
26 ~~to the proposed branch or mobile branch within fifteen days after~~  
27 ~~publication of such notice, he or she shall hold a hearing on the~~  
28 ~~application. Notice of a hearing held pursuant to this subsection shall~~  
29 ~~be published for two consecutive weeks in a newspaper of general~~  
30 ~~circulation in the county where the proposed branch or mobile branch~~  
31 ~~would be located. The date for hearing the application shall not be more~~

1 than ninety days after the filing of the application and not less than  
2 thirty days after the last publication of notice of hearing. The expense  
3 of any publication ~~and mailing~~ required by this section shall be paid by  
4 the applicant but payment shall not be a condition precedent to approval  
5 by the director.

6 Sec. 4. Section 8-234, Reissue Revised Statutes of Nebraska, is  
7 amended to read:

8 8-234 (1) With the approval of the Director of Banking and Finance,  
9 a corporation organized to do business as a trust company under the  
10 Nebraska Trust Company Act may establish and maintain branch trust  
11 offices within this state and in any other state pursuant to section  
12 8-2303.

13 (2) A corporation organized to do business as a trust company under  
14 the Nebraska Trust Company Act, in order to establish a branch trust  
15 office in Nebraska pursuant to subsection (1) of this section, shall  
16 apply to the Director of Banking and Finance on a form prescribed by the  
17 director. Upon receipt of a substantially complete application, the  
18 director shall hold a public hearing on the matter if he or she  
19 determines, in his or her discretion, that the condition of the  
20 corporation organized to do business as a trust company warrants a  
21 hearing. If the director determines that the condition of the corporation  
22 organized to do business as a trust company does not warrant a hearing,  
23 the director shall (a) publish a notice of the filing of the application  
24 in a newspaper of general circulation in the county where the proposed  
25 branch trust office would be located and (b) give notice of such  
26 application for a branch trust office to all financial institutions  
27 within the county where the proposed branch trust office would be located  
28 and to such other interested parties as the director may determine. The  
29 director shall send the notice to financial institutions by first-class  
30 mail, postage prepaid, or electronic mail. Electronic mail may be used if  
31 the financial institution agrees in advance to receive such notices by

1 electronic mail. A financial institution may designate one office for  
2 receipt of any such notice if it has more than one office located within  
3 the county where such notice is to be sent or a main office in a county  
4 other than the county where such notice is to be sent. If the director  
5 receives a substantive objection to the proposed branch trust office  
6 within fifteen days after publication of such notice, he or she shall  
7 hold a hearing on the application. Notice of a hearing held pursuant to  
8 this subsection shall be published for two consecutive weeks in a  
9 newspaper of general circulation in the county where the proposed branch  
10 trust office would be located. The expense of any publication and mailing  
11 required by this section shall be paid by the applicant but payment shall  
12 not be a condition precedent to approval by the director. The date for  
13 hearing the application shall not be more than ninety days after the  
14 filing of the application and not less than thirty-one days after the  
15 last publication of notice of hearing. The costs of the hearing shall be  
16 assessed in accordance with the rules and regulations of the Department  
17 of Banking and Finance.

18 (3) The director shall approve the application for a branch trust  
19 office if he or she finds that (a) the establishment of the branch trust  
20 office would not adversely affect the financial condition of the  
21 corporation organized to do business as a trust company, (b) there is a  
22 need in the community for the branch trust office, and (c) establishment  
23 of the branch trust office would be in the public interest.

24 (4) With the approval of the director, a state-chartered bank  
25 authorized to conduct a trust business pursuant to sections 8-159 to  
26 8-162 may establish and maintain branch trust offices within this state  
27 and in any other state pursuant to section 8-2303. The procedure for the  
28 establishment of any branch trust office under this subsection shall be  
29 the same as provided in subsections (2) and (3) of this section. The  
30 activities at the branch trust office shall be limited to the activities  
31 permitted by the Nebraska Trust Company Act, and the general business of

1 banking shall not be conducted at the branch trust office. Nothing in  
2 this subsection is intended to prohibit the establishment of a branch  
3 pursuant to section 8-157 at which trust business may be conducted.

4 (5) A branch trust office of a corporation organized to do business  
5 as a trust company or of a state-chartered bank shall not be closed  
6 without the prior written approval of the director.

7 Sec. 5. Section 8-374, Reissue Revised Statutes of Nebraska, is  
8 amended to read:

9 8-374 (1) Prior to issuing a certificate of approval, the  
10 department, upon receiving an application for a stock savings and loan  
11 association, shall (a) publish notice of filing of the application for a  
12 period of three weeks in a legal newspaper published in or of general  
13 circulation in the county where the applicant proposes to operate the  
14 savings and loan association and (b) give notice of such application for  
15 a stock savings and loan association to all financial institutions within  
16 the county where the proposed main office of the stock savings and loan  
17 would be located and to such other interested parties as the director may  
18 determine. The director shall send the notice to financial institutions  
19 by first-class mail, postage prepaid, or electronic mail. Electronic mail  
20 may be used if the financial institution agrees in advance to receive  
21 such notices by electronic mail. A financial institution may designate  
22 one office for receipt of any such notice if it has more than one office  
23 located within the county where such notice is to be sent or a main  
24 office in a county other than the county where such notice is to be sent.

25 (2) A public hearing shall be held on each application. The date for  
26 hearing the application shall be not more than ninety days after filing  
27 the application and not less than thirty days after the last publication  
28 of notice. Such hearing shall be held to determine:

29 (a) Whether the articles of incorporation and bylaws conform to the  
30 requirements of sections 8-356 to 8-384 and contain a just and equitable  
31 plan for the management of the association's business;

1 (b) Whether the persons organizing such association are of good  
2 character and responsibility;

3 (c) Whether in the department's judgment a need exists for such an  
4 institution in the community to be served;

5 (d) Whether there is a reasonable probability of its usefulness and  
6 success; and

7 (e) Whether the same can be established without undue injury to  
8 properly conducted existing local savings and loan associations, whether  
9 mutual or capital stock in formation.

10 (3) The expense of any publication and mailing required by this  
11 section shall be paid by the applicant but payment shall not be a  
12 condition precedent to approval by the director.

13 Sec. 6. Section 8-1510, Reissue Revised Statutes of Nebraska, is  
14 amended to read:

15 8-1510 (1) The Director of Banking and Finance may permit cross-  
16 industry acquisition or merger of one or more financial institutions  
17 under its supervision upon the application of such institutions to the  
18 Department of Banking and Finance. The application shall be made on forms  
19 prescribed by the department.

20 (2) Except as provided for in subsection (3) of this section, when  
21 an application is made for such an acquisition or merger, notice of the  
22 filing of the application shall be published by the department three  
23 weeks in a legal newspaper in or of general circulation in the county  
24 where the applicant proposes to operate the acquired or merged financial  
25 institution. A public hearing shall be held on each application. The date  
26 for hearing the application shall be not more than ninety days after the  
27 filing of the application and not less than thirty days after the last  
28 publication of notice after the examination and approval by the  
29 department of the application. If the department, upon investigation and  
30 after public hearing on the application, is satisfied that the  
31 stockholders and officers of the financial institution applying for such

1 acquisition or merger are parties of integrity and responsibility, that  
2 the requirements of section 8-702 have been met or some alternate form of  
3 protection for depositors has been met, and that the public necessity,  
4 convenience, and advantage will be promoted by permitting such  
5 acquisition or merger, the department shall, upon payment of the required  
6 fees, issue to such institution an order of approval for the acquisition  
7 or merger.

8 (3) When application is made for cross-industry acquisition or  
9 merger and the director determines, in his or her discretion, that the  
10 financial condition of the financial institution surviving the  
11 acquisition or merger is such as to indicate that a hearing on the  
12 application would not be necessary, then the hearing requirement of  
13 subsection (2) of this section shall only be required if, (a) after  
14 publishing a notice of the proposed application in a newspaper of general  
15 circulation in the county or counties where the offices of the financial  
16 institution to be merged or acquired are located and (b) after giving  
17 notice to all financial institutions located within such county or  
18 counties, the director receives a substantive objection to the  
19 application within fifteen days after the first day of publication. The  
20 director shall send the notice to financial institutions by first-class  
21 mail, postage prepaid, or electronic mail. Electronic mail may be used if  
22 the financial institution agrees in advance to receive such notices by  
23 electronic mail. A financial institution may designate one office for  
24 receipt of any such notice if it has more than one office located within  
25 the county where such notice is to be sent or a main office in a county  
26 other than the county where such notice is to be sent.

27 (4) The expense of any publication and mailing required by this  
28 section shall be paid by the applicant but payment shall not be a  
29 condition precedent to approval by the director.

30 Sec. 7. Section 21-1725.01, Reissue Revised Statutes of Nebraska, is  
31 amended to read:



1           21-1725.01 (1) Upon receiving an application to establish a new  
2 credit union, a public hearing shall be held on each application. Notice  
3 of the filing of the application shall be published by the department for  
4 three weeks in a legal newspaper published in or of general circulation  
5 in the county where the applicant proposes to operate the credit union.  
6 The date for hearing the application shall be not less than thirty days  
7 after the last publication of notice of hearing and not more than ninety  
8 days after filing the application unless the applicant agrees to a later  
9 date. Notice of the filing of the application shall be sent by the  
10 department to all financial institutions located in the county where the  
11 applicant proposes to operate.

12           (2) When application is made to establish a branch of a credit  
13 union, the director shall hold a hearing on the matter if he or she  
14 determines, in his or her discretion, that the condition of the applicant  
15 credit union warrants a hearing. If the director determines that the  
16 condition of the credit union does not warrant a hearing, the director  
17 shall ~~(a) publish a notice of the filing of the application in a~~  
18 ~~newspaper of general circulation in the county where the proposed branch~~  
19 ~~would be located and (b) give notice of such application to all financial~~  
20 ~~institutions located within the county where the proposed credit union~~  
21 ~~branch would be located and to such other interested parties as the~~  
22 ~~director may determine.~~ If the director receives any substantive  
23 objection to the proposed credit union branch within fifteen days after  
24 publication of such notice, he or she shall hold a hearing on the  
25 application. Notice of a hearing held pursuant to this subsection shall  
26 be published for two consecutive weeks in a newspaper of general  
27 circulation in the county where the proposed branch would be located. The  
28 date for hearing the application shall be not less than thirty days after  
29 the last publication of notice of hearing and not more than ninety days  
30 after the filing of the application unless the applicant agrees to a  
31 later date.

1           (3) The director may, in his or her discretion, hold a public  
2 hearing on amendments to a credit union's articles of association or  
3 bylaws which are brought before the department.

4           ~~(4) The director shall send any notice to financial institutions~~  
5 ~~required by this section by first class mail, postage prepaid, or~~  
6 ~~electronic mail. Electronic mail may be used if the financial institution~~  
7 ~~agrees in advance to receive such notices by electronic mail. A financial~~  
8 ~~institution may designate one office for receipt of any such notice if it~~  
9 ~~has more than one office located within the county where such notice is~~  
10 ~~to be sent or a main office in a county other than the county where such~~  
11 ~~notice is to be sent.~~

12           (4 5) The expense of any publication ~~and mailing~~ required by this  
13 section shall be paid by the applicant but payment shall not be a  
14 condition precedent to approval by the director.

15           Sec. 8. Original sections 8-115.01, 8-117, 8-157, 8-234, 8-374,  
16 8-1510, and 21-1725.01, Reissue Revised Statutes of Nebraska, are  
17 repealed.

18           Sec. 9. Since an emergency exists, this act takes effect when  
19 passed and approved according to law.