

ONE HUNDRED FIFTH LEGISLATURE - SECOND SESSION - 2018

COMMITTEE STATEMENT

LB812

Hearing Date: Tuesday January 16, 2018
Committee On: Banking, Commerce and Insurance
Introducer: Lindstrom
One Liner: Adopt federal banking provisions, revise powers of certain state-chartered financial institutions, and eliminate obsolete provisions

Roll Call Vote - Final Committee Action:

Advanced to General File

Vote Results:

Aye: 8 Senators Baker, Brewer, Harr, Kolterman, Lindstrom, McCollister, Schumacher, Williams

Nay:

Absent:

Present Not Voting:

Verbal Testimony:

Proponents:

Senator Brett Lindstrom
Director Mark Quandahl
Brandon Luetkenhaus
Bob Hallstrom

Representing:

Introducer
NE Dept. of Banking and Finance
NE Credit Union League
NE Bankers Assn.

Opponents:

Representing:

Neutral:

Representing:

Summary of purpose and/or changes:

LB812, introduced at the request of the Nebraska Department of Banking and Finance, would amend various sections relating to financial institutions. The bill would provide, section by section, as follows:

Section 1 would amend section 8-135 of the Nebraska Banking Act, which authorizes minors to establish deposit accounts, by updating a reference within subsection (3) to the federal Electronic Fund Transfer Act as it existed on January 1, 2018 (currently January 1, 2017).

Section 2 would amend section 8-143.01, which governs loans to bank insiders, to provide, within subsection (10), that the statute's existing references to 12 USC 84 and its implementing federal Regulation O are to such law and regulations as they existed on January 1, 2018 (currently January 1, 2017).

Section 3 would amend section 8-157.01, which governs automated teller machines (ATMs) and electronic switches, to remove obsolete references in subsections (3) and (8); to update a reference within subsection (4) to the federal Electronic Fund Transfer Act as it existed on January 1, 2018 (currently January 1, 2017); and to repeal obsolete references within subsection (14) related to administrative actions, fees, and a moratorium.

Section 4 would amend section 8-167.01, which provides an exception to the requirement for publication of bank reports

contained in section 8-167, to update a reference to 12 CFR part 350 as the regulation existed on January 1, 2018 (currently January 1, 2017).

Section 5 would amend section 8-183.04, which authorizes a mutual savings association to convert to a state bank charter and retain its mutual form, to update a reference to 12 CFR part 567 as such regulation existed on January 1, 2018 (currently January 1, 2017).

Section 6 would amend section 8-1,140 of the Nebraska Banking Act, which is the "wild-card" statute for state-chartered banks. This section would be amended to provide that state-chartered banks have the same rights, powers, privileges, benefits, and immunities as a federally chartered bank doing business in Nebraska as of January 1, 2018 (currently January 1, 2017). Due to state constitutional restrictions on delegation of legislative authority, this statute is amended annually.

Section 7 would amend section 8-318, relating to customer accounts in building and loan associations, within subsections (1)(a) and (2) to update the name of the federal Home Owners Act, and to update a reference within subdivision (1)(c) to the federal Electronic Fund Transfer Act as of January 1, 2018 (currently January 1, 2017).

Section 8 would amend section 8-335, which is the "wild-card" statute for state-chartered savings associations. This section would be amended to provide that state-chartered savings associations have the same rights, powers, privileges, benefits and immunities as a federally chartered savings association doing business in Nebraska as of January 1, 2018 (currently January 1, 2017). Due to state constitutional restriction on delegation of legislative authority, this statute is amended annually.

Section 9 would amend section 21-17,115 of the Nebraska Credit Union Act, which is the "wild-card" statute for state-chartered credit unions. This section would be amended to provide that state-chartered credit unions have the same rights, powers, privileges, benefits and immunities as a federally chartered credit union doing business in Nebraska as of January 1, 2018 (currently January 1, 2017). Due to state constitutional restrictions on delegation of legislative authority, this statute is amended annually.

Section 10 would provide for repealers of amendatory sections.

Section 11 would provide for the emergency clause.

Brett Lindstrom, Chairperson