

One Hundred Fifth Legislature - First Session - 2017

Introducer's Statement of Intent

LB184

Chairperson: Senator Brett Lindstrom

Committee: Banking, Commerce and Insurance

Date of Hearing: January 23, 2017

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

LB184 is a bill introduced at the request of the Nebraska Department of Banking and Finance relating to loan brokers.

The bill would amend the loan broker statutes, section 45-189 to 45-191.11, to exclude bank holding companies from the definition of loan broker for the reason that bank holding companies are already regulated and subject to examination by federal and state financial institution regulators.

The bill would further amend the loan broker statutes by combining the requirement that a borrower have two days after receiving required disclosure to decide not to enter into a contract and the requirement that the borrower has an additional three days to rescind the contract after signing. The bill proposes to change the forty-eight-hour notice requirement for disclosure to a simple prior notice, and to increase, from three to five business days, the time period granted to a borrower to cancel a loan brokerage agreement for any reason. These amendments are proposed to address the increase in on-line brokerage servicers.

Principal Introducer: _____

Senator Brett Lindstrom