

**ONE HUNDRED SIXTH LEGISLATURE - SECOND SESSION - 2020**  
**COMMITTEE STATEMENT**  
**LB1123**

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**Hearing Date:** Tuesday February 04, 2020  
**Committee On:** Banking, Commerce and Insurance  
**Introducer:** Lindstrom  
**One Liner:** Redefine the term security to include certain student loans under the Public Funds Deposit Security Act

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

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**Vote Results:**

**Aye:** 8 Senators Gragert, Howard, Kolterman, La Grone, Lindstrom, McCollister, Quick, Williams

**Nay:**

**Absent:**

**Present Not Voting:**

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**Oral Testimony:**

**Proponents:**

Senator Brett Lindstrom  
Roy Miller  
Bob Hallstrom

**Representing:**

Introducer  
Nebraska Bankers Association  
Nebraska Bankers Association

**Opponents:**

**Representing:**

**Neutral:**

Mark Quandahl

**Representing:**

Nebraska Department of Banking and Finance

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**Summary of purpose and/or changes:**

This bill would amend section 77-2387 of the Public Funds Deposit Security to expand the definition of "securities" for purposes of the act.

The Public Funds Deposit Security Act provides that a depository financial institution subject to a requirement by law to secure the deposit of public funds of a governmental unit (the state or a political subdivision) in excess of the amount insured or guaranteed by the Federal Deposit Insurance Corporation may give security by (1) furnishing securities or (2) providing a deposit guaranty bond, or any combination thereof, pursuant to the act in satisfaction of the requirement.

The bill would provide that, for this purpose, "securities" include "student loans backed or partially guaranteed by the United States Department of Education."

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