

ONE HUNDRED THIRD LEGISLATURE - SECOND SESSION - 2014
COMMITTEE STATEMENT
LB815

Hearing Date: Monday January 27, 2014
Committee On: Banking, Commerce and Insurance
Introducer: Murante
One Liner: Change provisions relating to fiduciary accounts controlled by a trust department

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

Vote Results:

Aye: 8 Senators Campbell, Carlson, Christensen, Garrett, Gloor, Howard, Pirsch, Schumacher

Nay:

Absent:

Present Not Voting:

Proponents:

Dylan Frederick
Robert Hallstrom

Representing:

Introducer for Senator John Murante
NE Bankers Association

Opponents:

Representing:

Neutral:

Representing:

Summary of purpose and/or changes:

LB815 (Murante) would amend section 8-162.02 of the Nebraska Banking Act, which provides that a state-chartered bank may deposit or have on deposit funds of a fiduciary account controlled by the bank's trust department. The bill would provide that to the extent that the funds are "awaiting investment or distribution and are" not insured or guaranteed by the Federal Deposit Insurance Corporation, a state-chartered bank shall set aside collateral as security under control of appropriate fiduciary officers and bank employees.

The bill would provide that this section does not apply to a fiduciary account in which full investment authority is retained by the grantor or is vested in persons or entities other than the state-chartered bank and the bank, acting in its fiduciary capacity, does not have the power to exert any influence over investment decisions.

The bill carries the emergency clause.

Mike Gloor, Chairperson