

April 22, 1977

LB 517, 517A, 524

CLERK: 26 ayes, 1 nay.

PRESIDENT: The bill is advanced. We go to LB 524.

CLERK: LB 517A.

PRESIDENT: All right, that is fine.

CLERK: LB 517A introduced by the Banking, Commerce and Insurance Committee. Read title. There are no committee amendments or other amendments pending.

SENATOR DeCAMP: I move it be advanced. Mr. President, this is just the five grand it costs to do the central filing.

PRESIDENT: Senator Keyes. All right, the question is the advancement of LB 517A. Record your vote. Please vote. Please vote on this matter. Record.

CLERK: 25 ayes, 2 nays.

PRESIDENT: The bill is advanced. Now, LB 524.

CLERK: LB 524 introduced by the Banking, Commerce and Insurance Committee and signed by the members thereof. Read title. There are no committee amendments or other amendments pending.

PRESIDENT: Senator John DeCamp.

SENATOR DeCAMP: Mr. President, members of the Legislature, I am going to read one paragraph here of what this bill does and then I am going to tell you the situation that brought it about. Okay. The intent of LB 524 is to insure that any financial institution, and we are talking about banks, that is what it is all about, who is operating pursuant to Nebraska law, okay, pursuant to Nebraska law, and what we are talking about there is Senator Murphy's bill passed a couple of years ago setting up NETS, so you got me, would not be held liable for damages or criminal prosecution under Nebraska law, the Nebraska law that this is talking about really, it is the anti-trust law we passed about the same year. I think it was maybe 51st that year or something which provided for treble damages for anti-trust violations, if federal action were commenced against them. Okay. Now, Senator Murphy's bill set up the NETS system a couple of years ago and that bill was drafted in such a way that it would have involved one system, one central system, and banks would be allowed to participate, pay their entry fees and then be involved in the NETS system. There was some questions raised recently by a letter from the federal justice department that this may be, in some way or another, constitute an anti-trust violation. Okay, all we are saying in the bill the, all we are intending or hoping to say is that these 450 banks who have now thrown in their one and a half or one and a quarter million dollars to set up this system, that now that they have done this, all believing they were following exactly Nebraska law, that they then wouldn't be held liable for treble damages somehow because they followed the law and the reason they want this bill is to, as I say, just to probably give them the protection that they already believe is in the law but they want to clarify that they are following the law, the Murphy law, set up

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