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FLOOR DEBATE

February 5, 2003 LB 217

you're recognized to open on the advancement of LB 217.

SENATOR QUANDAHL: Thank you, Mr. President, members of the body. LB 217 is the annual cleanup bill submitted for consideration by the Department of Banking and Finance. It was introduced by the Banking, Commerce, and Insurance Committee, as...their hearing date was on January 27 of this year, and it was advanced at that time on a unanimous vote. I'll try to make this as succinct as possible, just going through some of the highlights of this particular cleanup bill. It is fairly lengthy and there are a number of different sections in there that would probably be in the nature of just basic amendments that don't have any real impact on the laws of the state of Nebraska. But I'll try to outline some of the highlights of this bill. It deals with Chapter 8 of the Nebraska Revised Statutes, and Section 1 through 8 deals with the powers of banks in the statutes. Section 2 deals with chartering a new bank. There are a number of sections in the bill that allow an amendment that would shift the costs of sending certified mail notice to financial institutions in the county from the department to the actual applying institution. Section 2 does that for banks. Section 6 governs branch banking. It's basically an extension of what I talked about in Section 2. It concerns the application processes for branch banks. Now, this was brought to the forefront last year by the adoption of the branch banking bill, that...but this section currently requires the department to publish a notice of the application and send notice by certified banks to all of the financial institutions in the county where the branch is proposed. The amendment shifts the cost of sending out that certified notice from the department onto the applying institution. Section 8 of the bill is the wild-card statute for state chartered banks. This section provides for parity between state and federal nationally chartered banks, and is required to be updated on an annual basis. Trust companies are handled in Sections 9 and 10. Section 9 is...amends section 8-208 to provide that a formal resolution of the board of directors of a trust company is not required to approve the conveyance of real estate. Again, Section 10 is another one of those amendments, if there's a branch application, it shifts the cost of the certified mail from the department to the applying institution. Building and