

AMENDMENTS TO LB 876

(Amendments to Final Reading copy)

Introduced by Mines, 18

1 1. Insert the following new sections:

2 Sec. 20. Section 8-1122.01, Revised Statutes Cumulative
3 Supplement, 2004, is amended to read:

4 8-1122.01 ~~The Commencing September 1, 2006, the federal~~
5 limits on the registration of securities, dealers, brokers,
6 broker-dealers, agents, and investment advisers as provided in the
7 Philanthropy Protection Act of 1995, Public Law 104-62, shall ~~not~~
8 apply in Nebraska and are hereby rejected the rejection thereof
9 by the State of Nebraska pursuant to section 6(c) of such act is
10 hereby repealed as of such date. The State of Nebraska elects to
11 retain the authority to require or not require such registration
12 under the Securities Act of Nebraska and to retain the authority to
13 have such registration requirements apply in all administrative and
14 judicial actions commenced after July 15, 1998.

15 Sec. 25. Section 45-335, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 45-335 For purposes of the Nebraska Installment Sales
18 Act, unless the context otherwise requires:

19 (1) Goods means all personal property, except money or
20 things in action, and includes goods which, at the time of sale or
21 subsequently, are so affixed to realty as to become part thereof
22 whether or not severable therefrom;

1 (2) Services means work, labor, and services of any kind
2 performed in conjunction with an installment sale but does not
3 include services for which the prices charged are required by law
4 to be established and regulated by the government of the United
5 States or any state;

6 (3) Buyer means a person who buys goods or obtains
7 services from a seller in an installment sale;

8 (4) Seller means a person who sells goods or furnishes
9 services to a buyer under an installment sale;

10 (5) Installment sale means any transaction, whether or
11 not involving the creation or retention of a security interest, in
12 which a buyer acquires goods or services from a seller pursuant to
13 an agreement which provides for a time-price differential and under
14 which the buyer agrees to pay all or part of the time-sale price in
15 one or more installments and within one hundred forty-five months,
16 except that installment contracts for the purchase of mobile
17 homes may exceed such one-hundred-forty-five-month limitation.
18 Installment sale does not include a consumer rental purchase
19 agreement defined in and regulated by the Consumer Rental Purchase
20 Agreement Act;

21 (6) Installment contract means an agreement entered into
22 in this state evidencing an installment sale except those otherwise
23 provided for in separate acts;

24 (7) Cash price or cash sale price means the price stated
25 in an installment contract for which the seller would have sold or
26 furnished to the buyer and the buyer would have bought or acquired
27 from the seller goods or services which are the subject matter

1 of the contract if such sale had been a sale for cash instead of
2 an installment sale. It may include the cash price of accessories
3 or services related to the sale such as delivery, installation,
4 alterations, modifications, and improvements and may include taxes
5 to the extent imposed on the cash sale;

6 (8) Basic time price means the cash sale price of the
7 goods or services which are the subject matter of an installment
8 contract plus the amount included therein, if a separate identified
9 charge is made therefor and stated in the contract, for insurance,
10 registration, certificate of title, and license fees, filing fees,
11 an origination fee, and fees and charges prescribed by law which
12 actually are or will be paid to public officials for determining
13 the existence of or for perfecting, releasing, or satisfying any
14 security related to the credit transaction or any charge for
15 nonfiling insurance if such charge does not exceed the amount of
16 fees and charges prescribed by law which would have been paid to
17 public officials for filing, perfecting, releasing, and satisfying
18 any security related to the credit transaction and less the amount
19 of the buyer's downpayment in money or goods or both;

20 (9) Time-price differential, however denominated or
21 expressed, means the amount, as limited in the Nebraska Installment
22 Sales Act, to be added to the basic time price;

23 (10) Time-sale price means the total of the basic time
24 price of the goods or services, the amount of the buyer's
25 downpayment in money or goods or both, and the time-price
26 differential;

27 (11) Sales finance company means a person purchasing one

1 or more installment contracts from one or more sellers. Sales
2 finance company includes, but is not limited to, a financial
3 institution or installment loan licensee, if so engaged;

4 (12) Director means the Director of Banking and Finance;
5 and

6 (13) Financial institution has the same meaning as in
7 section 8-101; -

8 (14) Debt cancellation contract means a loan term
9 or contractual arrangement modifying loan terms under which a
10 financial institution agrees to cancel all or part of a buyer's
11 obligation to repay an extension of credit from the financial
12 institution upon the occurrence of a specified event. The debt
13 cancellation contract may be separate from or a part of other loan
14 documents. The term debt cancellation contract does not include
15 loan payment deferral arrangements in which the triggering event is
16 the buyer's unilateral election to defer repayment or the financial
17 institution's unilateral decision to allow a deferral of repayment;
18 and

19 (15) Debt suspension contract means a loan term or
20 contractual arrangement modifying loan terms under which a
21 financial institution agrees to suspend all or part of a buyer's
22 obligation to repay an extension of credit from the financial
23 institution upon the occurrence of a specified event. The debt
24 suspension contract may be separate from or a part of other loan
25 documents. The term debt suspension contract does not include loan
26 payment deferral arrangements in which the triggering event is the
27 buyer's unilateral election to defer repayment or the financial

1 institution's unilateral decision to allow a deferral of repayment.

2 Sec. 26. Section 45-336, Reissue Revised Statutes of
3 Nebraska, is amended to read:

4 45-336 (1) Each retail installment contract shall be in
5 writing, shall be signed by both the buyer and the seller, and
6 shall contain the following items and a copy thereof shall be
7 delivered to the buyer at the time the instrument is signed,
8 except for contracts made in conformance with section 45-340: (a)
9 The cash sale price; (b) the amount of the buyer's downpayment,
10 and whether made in money or goods, or partly in money and
11 partly in goods, including a brief description of any goods traded
12 in; (c) the difference between subdivisions (a) and (b) of this
13 subsection; (d) the amount included for insurance if a separate
14 charge is made therefor, specifying the types of coverages; (e)
15 the amount included for a debt cancellation contract or a debt
16 suspension contract if the debt cancellation contract or debt
17 suspension contract is a contract of a financial institution, such
18 contract is sold directly by such financial institution or by an
19 unaffiliated, nonexclusive agent of such financial institution in
20 accordance with 12 C.F.R. part 37, as such part existed on January
21 1, 2006, and the financial institution is responsible for the
22 unaffiliated, nonexclusive agent's compliance with such part, and a
23 separate charge is made therefor; (f) the basic time price, which
24 is the sum of subdivisions (c) and (d) of this subsection; ~~(f)~~ (g)
25 the time-price differential; ~~(g)~~ (h) the amount of the time-price
26 balance, which is the sum of subdivisions ~~(e)~~ and (f) and (g)
27 of this subsection, payable in installments by the buyer to the

1 seller; ~~(h)~~ (i) the number, amount, and due date or period of each
2 installment; and ~~(i)~~ (j) the time-sales price.

3 (2) The contract shall contain substantially the
4 following notice: NOTICE TO THE BUYER. DO NOT SIGN THIS CONTRACT
5 BEFORE YOU READ IT OR IF IT CONTAINS BLANK SPACES. YOU ARE ENTITLED
6 TO A COPY OF THE CONTRACT YOU SIGN.

7 (3) The items listed in subsection (1) of this section
8 need not be stated in the sequence or order set forth in such
9 subsection. Additional items may be included to explain the
10 computations made in determining the amount to be paid by the
11 buyer. No installment contract shall be signed by the buyer or
12 proffered by seller when it contains blank spaces to be filled in
13 after execution, except that if delivery of the goods or services
14 is not made at the time of the execution of the contract, the
15 identifying numbers or marks of the goods, or similar information,
16 and the due date of the first installment may be inserted in the
17 contract after its execution.

18 (4) If a seller proffers an installment contract as part
19 of a transaction which delays or cancels, or promises to delay or
20 cancel, the payment of the time-price differential on the contract
21 if the buyer pays the basic time price, cash price, or cash sale
22 price within a certain period of time, the seller shall, in clear
23 and conspicuous writing, either within the installment contract or
24 in a separate document, inform the buyer of the exact date by
25 which the buyer must pay the basic time price, cash price, or
26 cash sale price in order to delay or cancel the payment of the
27 time-price differential. The seller or any subsequent purchaser of

1 the installment contract, including a sales finance company, shall
2 not be allowed to change such date.

3 (5) Upon written request from the buyer, the holder of an
4 installment contract shall give or forward to the buyer a written
5 statement of the dates and amounts of payments and the total
6 amount unpaid under such contract. A buyer shall be given a written
7 receipt for any payment when made in cash.

8 (6) After payment of all sums for which the buyer is
9 obligated under a contract, the holder shall deliver or mail to
10 the buyer at his or her last-known address one or more good and
11 sufficient instruments or copies thereof to acknowledge payment in
12 full and shall release all security in the goods and mark canceled
13 and return to the buyer the original agreement or copy thereof or
14 instruments or copies thereof signed by the buyer. For purposes
15 of this section, a copy shall meet the requirements of section
16 25-12,112.

17 Sec. 36. Section 45-901, Reissue Revised Statutes of
18 Nebraska, is amended to read:

19 45-901 Sections 45-901 to 45-929 and section 47 of this
20 act shall be known and may be cited as the Delayed Deposit Services
21 Licensing Act.

22 Sec. 37. Section 45-906, Reissue Revised Statutes of
23 Nebraska, is amended to read:

24 45-906 The application required by section 45-905 shall
25 be accompanied by:

26 (1) A nonrefundable application fee of five hundred
27 dollars; and

1 (2) A surety bond in the sum of fifty thousand dollars
2 to be executed by the licensee and a surety company authorized to
3 do business in Nebraska and approved by the director conditioned
4 for the faithful performance by the licensee of the duties and
5 obligations pertaining to the delayed deposit services business so
6 licensed and the prompt payment of any judgment recovered against
7 the licensee. The bond or a substitute bond shall remain in effect
8 during all periods of licensing or the licensee shall immediately
9 cease doing business and its license shall be surrendered to or
10 canceled by the department. A surety may cancel a bond only upon
11 thirty days' written notice to the director.

12 (3) The director may at any time require the filing of
13 a new or supplemental bond in the form as provided in subsection
14 (2) of this section if he or she determines that the bond filed
15 under this section is exhausted or is inadequate for any reason,
16 including, but not limited to, the financial condition of the
17 licensee or the applicant for a license, or violations of the
18 Delayed Deposit Services Licensing Act, any rule, regulation, or
19 order thereunder, or any state or federal law applicable to the
20 licensee or applicant for a license. The new or supplemental bond
21 shall not exceed one hundred thousand dollars.

22 Sec. 38. Section 45-907, Reissue Revised Statutes of
23 Nebraska, is amended to read:

24 45-907 (1) When an application for a delayed deposit
25 services business license has been accepted by the director as
26 substantially complete, notice of the filing of the application
27 shall be published by the director for three successive weeks in

1 a legal newspaper published in or of general circulation in the
2 county where the applicant proposes to operate the delayed deposit
3 services business. The costs of the publication shall be paid by
4 the applicant. A public hearing shall be held on each application
5 except as provided in subsection (2) of this section. The date
6 for hearing shall not be less than thirty days after the last
7 publication. Written protest against the issuance of the license
8 may be filed with the Department of Banking and Finance by any
9 person not less than five days before the date set for hearing. The
10 director, in his or her discretion, may grant a continuance. The
11 costs of the hearing shall be paid by the applicant. The director
12 may investigate the propriety of the issuance of a license to the
13 applicant. The costs of such investigation shall be paid by the
14 applicant.

15 (2) The director may waive the hearing requirements of
16 subsection (1) of this section if (a) the applicant has held and
17 operated under a license to engage in the delayed deposit services
18 business in Nebraska pursuant to the Delayed Deposit Services
19 Licensing Act for at least three calendar years immediately prior
20 to the filing of the application, (b) no written protest against
21 the issuance of the license has been filed with the department
22 within fifteen days after publication of a notice of the filing
23 of the application one time in a newspaper of general circulation
24 in the county where the applicant proposes to operate the delayed
25 deposit services business, and (c) in the judgment of the director,
26 the experience, character, and general fitness of the applicant
27 warrant the belief that the applicant will comply with the act.

1 Sec. 39. Section 45-911, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 45-911 A licensee may surrender a delayed deposit
4 services business license by delivering to the director written
5 notice that the license is surrendered. The Department of Banking
6 and Finance may issue a notice of cancellation of the license
7 following such surrender in lieu of revocation proceedings. The
8 surrender shall not affect the licensee's civil or criminal
9 liability for acts committed prior to such surrender, affect the
10 liability for any fines which may be levied against the licensee or
11 any of its officers, directors, shareholders, partners, or members
12 for acts committed before the surrender, affect the liability of
13 the surety on the bond, or entitle such licensee to a return of any
14 part of the annual license fee or fees. The director may establish
15 procedures for the disposition of the books, accounts, and records
16 of the licensee and may require such action as he or she deems
17 necessary for the protection of the makers of checks which are
18 outstanding at the time of surrender of the license.

19 Sec. 40. Section 45-912, Reissue Revised Statutes of
20 Nebraska, is amended to read:

21 45-912 A licensee shall be required to notify the
22 director in writing within thirty days after the occurrence of
23 any material development, including, but not limited to:

- 24 (1) Bankruptcy or corporate reorganization;
25 (2) Business reorganization;
26 (3) Institution of license revocation procedures by any
27 other state or jurisdiction;

1 (4) The filing of a criminal indictment or complaint
2 against the licensee or any of its officers, directors,
3 shareholders, partners, members, employees, or agents; ~~or~~

4 (5) A felony conviction against the licensee or any
5 of the licensee's officers, directors, shareholders, partners,
6 members, employees, or agents; or

7 (6) The termination of employment or association with
8 the licensee of any of the licensee's officers, directors,
9 shareholders, partners, members, employees, or agents for
10 violations or suspected violations of the Delayed Deposit Services
11 Licensing Act, any rule, regulation, or order thereunder, or any
12 state or federal law applicable to the licensee.

13 Sec. 41. Section 45-915, Reissue Revised Statutes of
14 Nebraska, is amended to read:

15 45-915 (1) Except as provided in subsection (2) of this
16 section, a licensee may offer a delayed deposit services business
17 only at an office designated as its principal place of business in
18 the application. ~~The licensee shall maintain its books, accounts,~~
19 ~~and records at its designated principal place of business. A~~
20 licensee may change the location of its designated principal place
21 of business with the prior written approval of the director. The
22 director may establish forms and procedures for determining whether
23 the change of location should be approved.

24 (2) A licensee may operate branch offices only in the
25 same county in which the licensee's designated principal place of
26 business is located. The licensee may establish a branch office
27 or change the location of a branch office with the prior written

1 approval of the director. The director may establish forms and
2 procedures for determining whether an original branch or branches
3 or a change of location of a branch should be approved.

4 (3) A fee of one hundred fifty dollars shall be paid to
5 the director for each request made pursuant to subsection (1) or
6 (2) of this section.

7 Sec. 42. Section 45-916, Reissue Revised Statutes of
8 Nebraska, is amended to read:

9 45-916 A licensee may operate a delayed deposit services
10 business at a location where any other business is operated or in
11 association or conjunction with any other business if:

12 (1) The books, accounts, and records of the delayed
13 deposit services business are kept and maintained separate and
14 apart from the books, accounts, and records of the other business;
15 and

16 (2) The other business is not of a type which would
17 tend to conceal evasion of the Delayed Deposit Services Licensing
18 Act. If the director determines upon investigation that the other
19 business is of a type which would conceal evasion of the act, the
20 director shall order such licensee to cease the operation of the
21 other business at such location; and -

22 (3) At least thirty days prior to conducting such other
23 business, the licensee provides written notice to the director of
24 (a) its intent to conduct such other business at its location
25 or locations and (b) the nature of such other business and the
26 director does not disapprove of such other business within thirty
27 days after receiving the written notice.

1 Sec. 43. Section 45-917, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 45-917 (1) Every licensee shall, at the time any delayed
4 deposit services transaction is made, give to the maker of the
5 check, or if there are two or more makers, to one of them, a notice
6 written in plain English disclosing:

- 7 (a) The fee to be charged for the transaction;
8 (b) The date on which the check will be deposited or
9 presented for negotiation; and

10 (c) Any penalty not to exceed fifteen dollars which the
11 licensee will charge if the check is not negotiable on the date
12 agreed upon. If the licensee required the maker to give two checks
13 for one delayed deposit transaction, the licensee shall charge only
14 one penalty in the event both checks are not negotiable on the date
15 agreed upon.

16 (2) In addition to the notice required by subsection
17 (1) of this section, every licensee shall conspicuously display
18 a schedule of all fees, charges, and penalties for all services
19 provided by the licensee. Such notice shall be posted at every
20 office of the licensee.

21 Sec. 44. Section 45-919, Reissue Revised Statutes of
22 Nebraska, is amended to read:

- 23 45-919 (1) No licensee shall:
24 (a) At any one time hold from any one maker more than two
25 checks;
26 (b) At any one time hold from any one maker a check
27 or checks in an aggregate face amount of more than five hundred

1 dollars;

2 (c) Hold or agree to hold a check for more than
3 ~~thirty-one~~ thirty-four days. A check which is in the process
4 of collection for the reason that it was not negotiable on the day
5 agreed upon shall not be deemed as being held in excess of the
6 ~~thirty-one-day~~ thirty-four-day period;

7 (d) Require the maker to receive payment by a method
8 which causes the maker to pay additional or further fees and
9 charges to the licensee or other person; ~~or~~

10 (e) Accept a check as repayment, refinancing, or any
11 other consolidation of a check or checks held by the same licensee;

12 (f) Renew, roll over, defer, or in any way extend a
13 delayed deposit transaction by allowing the maker to pay less
14 than the total amount of the check and any authorized fees or
15 charges. This subdivision shall not prevent a licensee that agreed
16 to hold a check for less than thirty-four days from agreeing to
17 hold the check for an additional period of time no greater than
18 the thirty-four days it would have originally been able to hold the
19 check if (i) the extension is at the request of the maker, (ii)
20 no additional fees are charged for the extension, and (iii) the
21 delayed deposit transaction is completed as required by subdivision
22 (1)(c) of this section. The licensee shall retain written or
23 electronic proof of compliance with this subdivision. If a licensee
24 fails, or is unable, to provide such proof to the department upon
25 request, there shall be a rebuttable presumption that a violation
26 of this subdivision has occurred and the department may pursue
27 any remedies or actions available to it under the Delayed Deposit

1 Services Licensing Act; or

2 (g) Enter into another delayed deposit transaction with
3 the same maker on the same business day as the completion of
4 a delayed deposit transaction unless prior to entering into the
5 transaction the maker and the licensee verify on a form prescribed
6 by the department that completion of the prior delayed deposit
7 transaction has occurred. The licensee shall retain written proof
8 of compliance with this subdivision. If a licensee fails, or is
9 unable, to provide such proof to the department upon request,
10 there shall be a rebuttable presumption that a violation of this
11 subdivision has occurred and the department may pursue any remedies
12 or actions available to it under the act.

13 (2) For purposes of this section, (a) completion of a
14 delayed deposit transaction means the licensee has presented a
15 maker's check for payment to a financial institution as defined in
16 section 8-101 or the maker redeemed the check by paying the full
17 amount of the check in cash to the licensee and (b) licensee shall
18 include (i) a person related to the licensee by common ownership
19 or control, (ii) a person in whom such licensee has any financial
20 interest of ten percent or more, or (iii) any employee or agent of
21 the licensee.

22 Sec. 45. Section 45-922, Reissue Revised Statutes of
23 Nebraska, is amended to read:

24 45-922 (1) The director may, following a hearing in
25 accordance with the Administrative Procedure Act, suspend or
26 revoke any license issued pursuant to the Delayed Deposit Services
27 Licensing Act if he or she finds:

1 (a) A licensee or any of its officers, directors,
2 partners, or members has knowingly violated the act or any rule,
3 regulation, or order of the director thereunder;

4 (b) A fact or condition existing which, if it had existed
5 at the time of the original application for such license, would
6 have warranted the director to refuse to issue such license; ~~or~~

7 (c) A licensee has abandoned its place of business for a
8 period of sixty days or more; or

9 (d) A licensee or any of its officers, directors,
10 partners, or members has knowingly subscribed to, made, or caused
11 to be made any false statement or false entry in the books and
12 records of any licensee, has knowingly subscribed to or exhibited
13 false papers with the intent to deceive the Department of Banking
14 and Finance, has failed to make a true and correct entry in the
15 books and records of such licensee of its business and transactions
16 in the manner and form prescribed by the department, or has
17 mutilated, altered, destroyed, secreted, or removed any of the
18 books or records of such licensee without the written approval of
19 the department or as provided in section 45-925.

20 (2) Except as provided in this section, a license shall
21 not be revoked or suspended except after notice and a hearing in
22 accordance with the Administrative Procedure Act.

23 (3) (a) If a licensee fails to renew its license as
24 required by section 45-910 and does not voluntarily surrender the
25 license pursuant to section 45-911, the department may issue a
26 notice of expiration of the license to the licensee in lieu of
27 revocation proceedings.

1 (b) If a licensee fails to maintain a surety bond as
2 required by section 45-906, the department may issue a notice of
3 cancellation of the license in lieu of revocation proceedings.

4 (4) Revocation, suspension, cancellation, or expiration
5 of a license shall not impair or affect the obligation of a
6 preexisting lawful contract between the licensee and any person,
7 including a maker of a check.

8 (5) Revocation, suspension, cancellation, or expiration
9 of a license shall not affect civil or criminal liability for
10 acts committed before the revocation, suspension, cancellation,
11 or expiration or liability for fines levied against the licensee
12 or any of its officers, directors, shareholders, partners, or
13 members, pursuant to section 45-925, for acts committed before the
14 revocation, suspension, cancellation, or expiration.

15 Sec. 46. Section 45-925, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 45-925 (1) If the director finds, after notice and
18 hearing in accordance with the Administrative Procedure Act, that
19 any person has violated the Delayed Deposit Services Licensing Act
20 or any rule, regulation, or order of the director thereunder, the
21 director may order such person to pay (a) an administrative fine of
22 not more than five thousand dollars for each separate violation and
23 (b) the costs of investigation.

24 (2) If any person is found to have violated subdivision
25 (1)(e), (1)(f), or (1)(g) of section 45-919, the director may also
26 order such person to (a) return to the maker or makers all fees
27 collected plus all or part of the amount of the check or checks

1 which the licensee accepted in violation of such subdivision or
2 subdivisions and (b) for a period up to one year not engage in
3 any delayed deposit transaction with any maker for at least three
4 days after the completion of a delayed deposit transaction with the
5 same maker. If a person fails to pay an administrative fine and
6 the costs of investigation ordered pursuant to subsection (1) of
7 this section, a lien in the amount of such fine and costs may be
8 imposed upon all assets and property of such person in this state
9 and may be recovered in a civil action by the director. Failure of
10 the person to pay such fine and costs shall constitute a separate
11 violation of the act.

12 Sec. 47. (1) Each licensee shall keep or make available
13 the books and records relating to transactions made under the
14 Delayed Deposit Services Licensing Act as are necessary to enable
15 the department to determine whether the licensee is complying with
16 the act. The books and records shall be maintained in a manner
17 consistent with accepted accounting practices.

18 (2) A licensee shall, at a minimum, include in its books
19 and records copies of all application materials relating to makers,
20 disclosure agreements, checks, payment receipts, and proofs of
21 compliance required by section 45-919.

22 (3) A licensee shall preserve or keep its books and
23 records relating to every delayed deposit transaction for three
24 years from the date of the inception of the transaction, or two
25 years from the date a final entry is made thereon, including any
26 applicable collection effort, whichever is later.

27 (4) The licensee shall maintain its books, accounts, and

1 records, whether in physical or electronic form, at its designated
2 principal place of business, except that books, accounts, and
3 records which are older than two years may be maintained at any
4 other place within this state as long as such records are available
5 for inspection by the Department of Banking and Finance.

6 Sec. 48. Section 45-1002, Reissue Revised Statutes of
7 Nebraska, is amended to read:

8 45-1002 (1) For purposes of the Nebraska Installment Loan
9 Act:

10 (a) Applicant means a person applying for a license under
11 the act;

12 (b) Department means the Department of Banking and
13 Finance;

14 (c) Debt cancellation contract means a loan term
15 or contractual arrangement modifying loan terms under which a
16 financial institution agrees to cancel all or part of a borrower's
17 obligation to repay an extension of credit from the financial
18 institution upon the occurrence of a specified event. The debt
19 cancellation contract may be separate from or a part of other loan
20 documents. The term debt cancellation contract does not include
21 loan payment deferral arrangements in which the triggering event
22 is the borrower's unilateral election to defer repayment or the
23 financial institution's unilateral decision to allow a deferral of
24 repayment;

25 (d) Debt suspension contract means a loan term or
26 contractual arrangement modifying loan terms under which a
27 financial institution agrees to suspend all or part of a borrower's

1 obligation to repay an extension of credit from the financial
2 institution upon the occurrence of a specified event. The debt
3 suspension contract may be separate from or a part of other loan
4 documents. The term debt suspension contract does not include loan
5 payment deferral arrangements in which the triggering event is the
6 borrower's unilateral election to defer repayment or the financial
7 institution's unilateral decision to allow a deferral of repayment;

8 ~~(e)~~ (e) Director means the Director of Banking and
9 Finance;

10 ~~(d)~~ (f) Financial institution has the same meaning as in
11 section 8-101;

12 ~~(e)~~ (g) Licensee means any person who obtains a license
13 under the act; and

14 ~~(f)~~ (h) Person means individual, partnership, limited
15 liability company, association, financial institution, trust,
16 corporation, and any other legal entity.

17 (2) Except as provided in subsection (3) of section
18 45-1017, no revenue arising under the act shall inure to any
19 school fund of the State of Nebraska or any of its governmental
20 subdivisions.

21 (3) Loan, when used in the Nebraska Installment Loan Act,
22 does not include any loan made by a person who is not a licensee
23 on which the interest does not exceed the maximum rate permitted by
24 section 45-101.03.

25 (4) Nothing in the Nebraska Installment Loan Act applies
26 to any loan made by a person who is not a licensee if the interest
27 on the loan does not exceed the maximum rate permitted by section

1 45-101.03.

2 Sec. 50. Section 45-1024, Revised Statutes Supplement,
3 2005, is amended to read:

4 45-1024 (1) Except as provided in section 45-1025 and
5 subsection (6) of this section, every licensee may make loans and
6 may contract for and receive on such loans charges at a rate
7 not exceeding twenty-four percent per annum on that part of the
8 unpaid principal balance on any loan not in excess of one thousand
9 dollars, and twenty-one percent per annum on any remainder of
10 such unpaid principal balance. Except for loans secured by mobile
11 homes, a licensee may not make loans for a period in excess of
12 one hundred forty-five months if the amount of the loan is greater
13 than three thousand dollars but less than twenty-five thousand
14 dollars. Charges on loans made under the Nebraska Installment Loan
15 Act shall not be paid, deducted, or received in advance. The
16 contracting for, charging of, or receiving of charges as provided
17 for in subsection (2) of this section shall not be deemed to be the
18 payment, deduction, or receipt of such charges in advance.

19 (2) When the loan contract requires repayment in
20 substantially equal and consecutive monthly installments of
21 principal and charges combined, the licensee may, at the time
22 the loan is made, precompute the charges at the agreed rate on
23 scheduled unpaid principal balances according to the terms of the
24 contract and add such charges to the principal of the loan. Every
25 payment may be applied to the combined total of principal and
26 precomputed charges until the contract is fully paid. All payments
27 made on account of any loan except for default and deferment

1 charges shall be deemed to be applied to the unpaid installments in
2 the order in which they are due. The portion of the precomputed
3 charges applicable to any particular month of the contract, as
4 originally scheduled or following a deferment, shall be that
5 proportion of such precomputed charges, excluding any adjustment
6 made for a first installment period of more than one month and any
7 adjustment made for deferment, which the balance of the contract
8 scheduled to be outstanding during such month bears to the sum
9 of all monthly balances originally scheduled to be outstanding
10 by the contract. This section shall not limit or restrict the
11 manner of calculating charges, whether by way of add-on, single
12 annual rate, or otherwise, if the rate of charges does not exceed
13 that permitted by this section. Charges may be contracted for and
14 earned at a single annual rate, except that the total charges from
15 such rate shall not be greater than the total charges from the
16 several rates otherwise applicable to the different portions of the
17 unpaid balance according to subsection (1) of this section. All
18 loan contracts made pursuant to this subsection are subject to the
19 following adjustments:

20 (a) Notwithstanding the requirement for substantially
21 equal and consecutive monthly installments, the first installment
22 period may not exceed one month by more than twenty-one days and
23 may not fall short of one month by more than eleven days. The
24 charges for each day exceeding one month shall be one-thirtieth of
25 the charges which would be applicable to a first installment period
26 of one month. The charge for extra days in the first installment
27 period may be added to the first installment and such charges for

1 such extra days shall be excluded in computing any rebate;

2 (b) If prepayment in full by cash, a new loan, or
3 otherwise occurs before the first installment due date, the charges
4 shall be recomputed at the rate of charges contracted for in
5 accordance with subsection (1) or (2) of this section upon the
6 actual unpaid principal balances of the loan for the actual time
7 outstanding by applying the payment, or payments, first to charges
8 at the agreed rate and the remainder to the principal. The amount
9 of charges so computed shall be retained in lieu of all precomputed
10 charges;

11 (c) If a contract is prepaid in full by cash, a new loan,
12 or otherwise after the first installment due date, the borrower
13 shall receive a rebate of an amount which is not less than the
14 amount obtained by applying to the unpaid principal balances as
15 originally scheduled or, if deferred, as deferred, for the period
16 following prepayment, according to the actuarial method, the rate
17 of charge contracted for in accordance with subsection (1) or
18 (2) of this section. The licensee may round the rate of charge
19 to the nearest one-half of one percent if such procedure is not
20 consistently used to obtain a greater yield than would otherwise
21 be permitted. Any default and deferment charges which are due and
22 unpaid may be deducted from any rebate. No rebate shall be required
23 for any partial prepayment. No rebate of less than one dollar need
24 be made. Acceleration of the maturity of the contract shall not
25 in itself require a rebate. If judgment is obtained before the
26 final installment date, the contract balance shall be reduced by
27 the rebate which would be required for prepayment in full as of the

1 date judgment is obtained;

2 (d) If any installment on a precomputed or interest
3 bearing loan is unpaid in full for ten or more consecutive days,
4 Sundays and holidays included, after it is due, the licensee may
5 charge and collect a default charge not exceeding an amount equal
6 to five percent of such installment. If any installment payment
7 is made by a check, draft, or similar signed order which is not
8 honored because of insufficient funds, no account, or any other
9 reason except an error of a third party to the loan contract, the
10 licensee may charge and collect a fifteen-dollar bad check charge.
11 Such default or bad check charges may be collected when due or at
12 any time thereafter;

13 (e) If, as of an installment due date, the payment
14 date of all wholly unpaid installments is deferred one or more
15 full months and the maturity of the contract is extended for
16 a corresponding period, the licensee may charge and collect a
17 deferment charge not exceeding the charge applicable to the first
18 of the installments deferred, multiplied by the number of months
19 in the deferment period. The deferment period is that period
20 during which no payment is made or required by reason of such
21 deferment. The deferment charge may be collected at the time of
22 deferment or at any time thereafter. The portion of the precomputed
23 charges applicable to each deferred balance and installment period
24 following the deferment period shall remain the same as that
25 applicable to such balance and periods under the original loan
26 contract. No installment on which a default charge has been
27 collected, or on account of which any partial payment has been

1 made, shall be deferred or included in the computation of the
2 deferment charge unless such default charge or partial payment is
3 refunded to the borrower or credited to the deferment charge. Any
4 payment received at the time of deferment may be applied first
5 to the deferment charge and the remainder, if any, applied to the
6 unpaid balance of the contract, except that if such payment is
7 sufficient to pay, in addition to the appropriate deferment charge,
8 any installment which is in default and the applicable default
9 charge, it shall be first so applied and any such installment shall
10 not be deferred or subject to the deferment charge. If a loan is
11 prepaid in full during the deferment period, the borrower shall
12 receive, in addition to the required rebate, a rebate of that
13 portion of the deferment charge applicable to any unexpired full
14 month or months of such deferment period; and

15 (f) If two or more full installments are in default
16 for one full month or more at any installment date and if the
17 contract so provides, the licensee may reduce the contract balance
18 by the rebate which would be required for prepayment in full as
19 of such installment date and the amount remaining unpaid shall
20 be deemed to be the unpaid principal balance and thereafter in
21 lieu of charging, collecting, receiving, and applying charges as
22 provided in this subsection, charges may be charged, collected,
23 received, and applied at the agreed rate as otherwise provided by
24 this section until the loan is fully paid.

25 (3) The charges, as referred to in subsection (1) of
26 this section, shall not be compounded. The charging, collecting,
27 and receiving of charges as provided in subsection (2) of this

1 section shall not be deemed compounding. If part or all of the
2 consideration for a loan contract is the unpaid principal balance
3 of a prior loan, then the principal amount payable under such
4 loan contract may include any unpaid charges on the prior loan
5 which have accrued within sixty days before the making of such
6 loan contract and may include the balance remaining after giving
7 the rebate required by subsection (2) of this section. Except as
8 provided in subsection (2) of this section, charges shall (a) be
9 computed and paid only as a percentage per month of the unpaid
10 principal balance or portions thereof and (b) be computed on the
11 basis of the number of days actually elapsed. For purposes of
12 computing charges, whether at the maximum rate or less, a month
13 shall be that period of time from any date in a month to the
14 corresponding date in the next month but if there is no such
15 corresponding date then to the last day of the next month, and a
16 day shall be considered one-thirtieth of a month when computation
17 is made for a fraction of a month.

18 (4) Except as provided in subsections (5) and (6) of
19 this section, in addition to that provided for under the Nebraska
20 Installment Loan Act, no further or other amount whatsoever shall
21 be directly or indirectly charged, contracted for, or received.
22 If any amount, in excess of the charges permitted, is charged,
23 contracted for, or received, the loan contract shall not on
24 that account be void, but the licensee shall have no right to
25 collect or receive any interest or other charges whatsoever. If
26 such interest or other charges have been collected or contracted
27 for, the licensee shall refund to the borrower all interest

1 and other charges collected and shall not collect any interest
2 or other charges contracted for and thereafter due on the loan
3 involved, as liquidated damages, and the licensee or its assignee,
4 if found liable, shall pay the costs of any action relating
5 thereto, including reasonable attorney's fees. No licensee shall
6 be found liable under this subsection if the licensee shows
7 by a preponderance of the evidence that the violation was not
8 intentional and resulted from a bona fide error notwithstanding
9 the maintenance of procedures reasonably adopted to avoid any such
10 error.

11 (5) A borrower may be required to pay all reasonable
12 expenses incurred in connection with the making, closing,
13 disbursing, extending, readjusting, or renewing of loans. Such
14 expenses may include abstracting, recording, releasing, and
15 registration fees; premiums paid for nonfiling insurance;
16 premiums paid on insurance policies covering tangible personal
17 property securing the loan; amounts charged for a debt
18 cancellation contract or a debt suspension contract, as agreed
19 upon by the parties, if the debt cancellation contract or debt
20 suspension contract is a contract of a financial institution and
21 such contract is sold directly by such financial institution or by
22 an unaffiliated, nonexclusive agent of such financial institution
23 in accordance with 12 C.F.R. part 37, as such part existed on
24 January 1, 2006, and the financial institution is responsible for
25 the unaffiliated, nonexclusive agent's compliance with such part;
26 title examinations; credit reports; survey; and taxes or
27 charges imposed upon or in connection with the making and recording

1 or releasing of any mortgage. Except as provided in subsection
2 (6) of this section, a borrower may also be required to pay a
3 nonrefundable loan origination fee not to exceed the lesser of
4 five hundred dollars or an amount equal to seven percent of that
5 part of the original principal balance of any loan not in excess
6 of two thousand dollars and five percent on that part of the
7 original principal balance in excess of two thousand dollars, if
8 the licensee has not made another loan to the borrower within the
9 previous twelve months. If the licensee has made another loan to
10 the borrower within the previous twelve months, a nonrefundable
11 loan origination fee may only be charged on new funds advanced
12 on each successive loan. Such reasonable initial charges may be
13 collected from the borrower or included in the principal balance of
14 the loan at the time the loan is made and shall not be considered
15 interest or a charge for the use of the money loaned.

16 (6) (a) Loans secured solely by real property that are
17 not made pursuant to subdivision (11) of section 45-101.04 on real
18 property, as that term is defined in section 45-702, shall not
19 be subject to the limitations on the rate of interest provided
20 in subsection (1) of this section or the limitations on the
21 nonrefundable loan origination fee under subsection (5) of this
22 section if (i) the principal amount of the loan is seven thousand
23 five hundred dollars or more and (ii) the sum of the principal
24 amount of the loan and the balances of all other liens against the
25 property do not exceed one hundred percent of the appraised value
26 of the property. Acceptable methods of determining appraised value
27 shall be made by the department pursuant to rule, regulation, or

1 order.

2 (b) An origination fee on such loan shall be computed
3 only on the principal amount of the loan reduced by any portion
4 of the principal that consists of the amount required to pay off
5 another loan made under this subsection by the same licensee.

6 (c) A prepayment penalty on such loan shall be permitted
7 only if (i) the maximum amount of the penalty to be assessed is
8 stated in writing at the time the loan is made, (ii) the loan is
9 prepaid in full within two years from the date of the loan, and
10 (iii) the loan is prepaid with money other than the proceeds of
11 another loan made by the same licensee. Such prepayment penalty
12 shall not exceed six months interest on eighty percent of the
13 original principal balance computed at the agreed rate of interest
14 on the loan.

15 (d) A licensee making a loan pursuant to this subsection
16 may obtain an interest in any fixtures attached to such real
17 property and any insurance proceeds payable in connection with such
18 real property or the loan.

19 (e) For purposes of this subsection, principal amount
20 of the loan means the total sum owed by the borrower including,
21 but not limited to, insurance premiums, loan origination fees, or
22 any other amount that is financed, except that for purposes of
23 subdivision (6)(b) of this section, loan origination fees shall not
24 be included in calculating the principal amount of the loan.

25 Sec. 51. Section 45-1026, Reissue Revised Statutes of
26 Nebraska, is amended to read:

27 45-1026 (1) The following types of insurance or one

1 or more of the following types of insurance may be written
2 in connection with loans made by licensees under the Nebraska
3 Installment Loan Act:

4 (a) Fire, theft, windstorm, or comprehensive, including
5 fire, theft, and windstorm, fifty dollars or more deductible
6 collision, and bodily injury liability and property damage
7 liability upon motor vehicles;

8 (b) Fire and extended-coverage insurance upon real
9 property;

10 (c) Fire and extended-coverage insurance upon tangible
11 personal property, limited to the principal amount of the loan;

12 (d) Involuntary unemployment or job protection insurance.
13 In the event of a renewal of a loan contract, this type of
14 insurance shall be canceled and a refund of the unearned premium
15 credited or made before new insurance of this type may be
16 rewritten. Such insurance shall not be required as a condition
17 precedent to the making of such loan; and

18 (e) Life, health, and accident insurance or any of them,
19 except that the amount of such insurance shall not exceed the total
20 amount to be repaid under the loan contract and the term shall
21 not extend beyond the final maturity date of the loan contract. In
22 the event of a renewal of a loan contract, this type of insurance
23 shall be canceled and a refund of the unearned premium credited or
24 made before new insurance of this type may be written in connection
25 with such loan. Such insurance shall not be required as a condition
26 precedent to the making of such loan.

27 (2) In addition to the types of insurance written under

1 subsection (1) of this section by licensees under the act, any
2 other type of insurance or motor club service as defined in section
3 44-3707 may be ~~written for~~ provided for the benefit of a licensee's
4 borrower or the borrower's immediate family whether or not in
5 connection with a loan, except that such insurance or motor club
6 service shall not be required as a condition precedent to the
7 making of any loan. Nothing in this subsection alters or eliminates
8 any insurance licensing requirements or certificate of authority
9 requirements under the Motor Club Services Act.

10 (3) Notwithstanding sections 45-1024 and 45-1025, any
11 gain or advantage, in the form of commission or otherwise, to
12 the licensee or to any employee, affiliate, or associate of the
13 licensee from such insurance or motor club service or ~~its~~ the sale
14 thereof shall not be deemed to be an additional or further charge
15 in connection with the loan contract. The insurance premium ~~for~~
16 ~~such insurance~~ or motor club service contract fee may be collected
17 from the borrower or ~~included in~~ financed through the loan contract
18 at the time the loan is made.

19 ~~(4)~~ (4)(a) Insurance permitted under this section shall
20 be obtained through a duly licensed insurance agent, agency,
21 or broker. Premiums shall not exceed those fixed by law or
22 current applicable manual rates. Insurance written, as authorized
23 by this section, may contain a mortgage clause or other appropriate
24 provision to protect the insurable interest of the licensee.

25 (b) Motor club services permitted under this section
26 shall be obtained through a motor club which holds a certificate of
27 authority under the Motor Club Services Act.

1 (5) In the event of a renewal of a loan contract, any
2 insurance or motor club service sold pursuant to this section shall
3 be canceled and (a) a refund of the unearned premium or motor
4 club service contract fee credited or made before new insurance or
5 motor club service of the same type as that being canceled may be
6 rewritten or (b) the holder of the loan contract shall send notice
7 to the buyer within fifteen business days after cancellation of
8 the name, address, and telephone number of the insurance company
9 or motor club which issued the insurance contract or motor club
10 service contract or the party responsible for any refund and notice
11 that the buyer may be eligible for a refund. A copy of such notice
12 shall be retained by the holder of the loan contract.

13 (6) If any insurance or motor club service sold pursuant
14 to this section is canceled or the premium or motor club service
15 contract fee adjusted during the term of the loan contract, any
16 refund of the insurance premium or motor club service contract fee
17 plus the unearned interest thereon received by the holder shall be
18 credited by the holder to the loan contract or otherwise refunded,
19 except to the extent applied toward payment for similar insurance
20 or motor club service protecting the interests of the buyer and the
21 holder or either of them.

22 (7) If any insurance or motor club service sold pursuant
23 to this section is canceled due to the payment of all sums for
24 which the buyer is liable under a loan contract, the holder of the
25 loan contract shall, upon receipt of payment of all sums due, send
26 notice to the buyer within fifteen business days after payment of
27 the sums due of the name, address, and telephone number of the

1 insurance company or motor club which issued the insurance contract
2 or motor club service contract or the party responsible for any
3 refund and notice that the buyer may be eligible for a refund. A
4 copy of such notice shall be retained by the holder of the loan
5 contract. This subsection does not apply if the holder of the loan
6 contract previously credited the refund of the insurance premium or
7 motor club service contract fee to the loan contract or otherwise
8 refunded the insurance premium or motor club service contract fee
9 to the buyer.

10 Sec. 52. Section 76-1006, Revised Statutes Cumulative
11 Supplement, 2004, is amended to read:

12 76-1006 The power of sale conferred in the Nebraska Trust
13 Deeds Act upon the trustee shall not be exercised until:

14 (1) The trustee or the attorney for the trustee shall
15 first file for record in the office of the register of deeds of
16 each county wherein the trust property or some part or parcel
17 thereof is situated a notice of default identifying the trust
18 deed by stating the name of the trustor named therein and giving
19 the book and page or computer system reference where the same
20 is recorded and a description of the trust property, containing
21 a statement that a breach of an obligation for which the trust
22 property was conveyed as security has occurred, and setting forth
23 the nature of such breach and of his or her election to sell or
24 cause to be sold such property to satisfy the obligation;

25 (2) If the trust property is used in farming operations
26 carried on by the trustor, not in any incorporated city or village,
27 the notice of default also sets forth:

1 (a) A statement that the default may be cured within two
2 months of the filing for record of the notice of default and the
3 obligation and trust deed may be thereby reinstated as provided in
4 section 76-1012;

5 (b) A statement of the amount of the entire unpaid
6 principal sum secured by the trust deed, the amount of interest
7 accrued thereon to and including the date the notice of default is
8 signed by the trustee or the trustee's attorney, and the dollar
9 amount of the per diem interest accruing from and after such date;
10 and

11 (c) A statement of the amount of the unpaid principal
12 which would not then be due had no default occurred; and

13 (3) After the lapse of not less than one month, or two
14 months if the notice of default is subject to subdivision (2) of
15 this section, the trustee or the attorney for the trustee shall
16 give notice of sale as provided in section 76-1007.

17 Sec. 53. Section 76-1007, Revised Statutes Cumulative
18 Supplement, 2004, is amended to read:

19 76-1007 (1) The trustee or the attorney for the
20 trustee shall give written notice of the time and place of sale
21 particularly describing the property to be sold by publication of
22 such notice, at least five times, once a week for five consecutive
23 weeks, the last publication to be at least ten days but not more
24 than thirty days prior to the sale, in some newspaper having a
25 general circulation in each county in which the property to be
26 sold, or some part thereof, is situated.

27 (2) The sale shall be held at the time and place

1 designated in the notice of sale which shall be between the hours
2 of nine a.m. and five p.m. and at the premises or at the courthouse
3 of the county in which the property to be sold, or some part
4 thereof, is situated.

5 (3) The notice of sale shall be sufficient if made in
6 substantially the following form:

7 Notice of Trustee's Sale

8 The following described property will be sold at public
9 auction to the highest bidder at the door of the county
10 courthouse in, County of, Nebraska, on
11, 20.... .

12 (Name of Trustee)

13 Sec. 54. Section 76-1008, Revised Statutes Cumulative
14 Supplement, 2004, is amended to read:

15 76-1008 (1) Any person desiring a copy of any notice
16 of default and of any notice of sale under any trust deed may,
17 at any time subsequent to the filing for record of the trust
18 deed and prior to the filing for record of a notice of default
19 thereunder, file for record in the office of the register of deeds
20 of any county in which any part or parcel of the trust property
21 is situated a duly acknowledged request for a copy of any such
22 notice of default and notice of sale. The request shall set forth
23 the name and address of the person or persons requesting copies of
24 such notices and shall identify the trust deed by stating the names
25 of the original parties thereto, the date of filing for record
26 thereof, and the book and page or computer system reference where
27 the same is recorded and shall be in substantially the following

1 form:

2 Request is hereby made that a copy of any notice of
3 default and a copy of notice of sale under the trust deed
4 filed for record, 20..., and recorded in book
5, page, (or computer system reference)
6 Records of County, Nebraska, executed by
7 as trustor, in which is named as beneficiary and
8 as trustee, be mailed to(insert name).....
9 at(insert address)..... .

10 Signature

11 (2) Not later than ten days after recordation of such
12 notice of default, the trustee or beneficiary or the attorney for
13 the trustee or beneficiary shall mail, by registered or certified
14 mail with postage prepaid, a copy of such notice with the recording
15 date shown thereon, addressed to each person whose name and address
16 is set forth in a request therefor which has been recorded prior
17 to the filing for record of the notice of default, directed to the
18 address designated in such request. At least twenty days before
19 the date of sale, the trustee or the attorney for the trustee
20 shall mail, by registered or certified mail with postage prepaid,
21 a copy of the notice of the time and place of sale, addressed
22 to each person whose name and address is set forth in a request
23 therefor which has been recorded prior to the filing for record of
24 the notice of default, directed to the address designated in such
25 request.

26 (3) Each trust deed shall contain a request that a
27 copy of any notice of default and a copy of any notice of sale

1 thereunder shall be mailed to each person who is a party thereto
2 at the address of such person set forth therein, and a copy of any
3 notice of default and of any notice of sale shall be mailed to each
4 such person at the same time and in the same manner required as
5 though a separate request therefor had been filed by each of such
6 persons as provided in this section.

7 (4) If no address of the trustor is set forth in the
8 trust deed and if no request for notice by such trustor has been
9 recorded as provided in this section, a copy of the notice of
10 default shall be published at least three times, once a week for
11 three consecutive weeks, in a newspaper of general circulation in
12 each county in which the trust property or some part thereof is
13 situated, such publication to commence not later than ten days
14 after the filing for record of the notice of default.

15 (5) No request for a copy of any notice filed for record
16 pursuant to this section nor any statement or allegation in any
17 such request nor any record thereof shall affect the title to
18 trust property or be deemed notice to any person that any person
19 requesting copies of notice of default or of notice of sale has or
20 claims any right, title, or interest in or lien or claim upon the
21 trust property.

22 Sec. 55. Section 76-1012, Revised Statutes Cumulative
23 Supplement, 2004, is amended to read:

24 76-1012 (1) Whenever all or a portion of the principal
25 sum of any obligation secured by a trust deed has, prior to
26 the maturity date fixed in such obligation, become due or been
27 declared due by reason of a breach or default in the performance

1 of any obligation secured by the trust deed, including a default
2 in the payment of interest or of any installment of principal,
3 or by reason of failure of the trustor to pay, in accordance
4 with the terms of such trust deed, taxes, assessments, premiums
5 for insurance, or advances made by the beneficiary in accordance
6 with terms of such obligation or of such trust deed, the trustor
7 or his or her successor in interest in the trust property or
8 any part thereof or any other person having a subordinate lien
9 or encumbrance of record thereon or any beneficiary under a
10 subordinate trust deed, at any time within one month, or within
11 two months if the notice of default is subject to subdivision (2)
12 of section 76-1006, of the filing for record of notice of default
13 under such trust deed, if the power of sale is to be exercised,
14 may pay to the beneficiary or his or her successor in interest the
15 entire amount then due under the terms of such trust deed and the
16 obligation secured thereby, including costs and expenses actually
17 incurred in enforcing the terms of such obligation, or trust deed,
18 and the trustee's fees actually incurred not exceeding in the
19 aggregate fifty dollars or one-half of one percent of the entire
20 unpaid principal sum secured, whichever is greater, other than such
21 portion of the principal as would not then be due had no default
22 occurred, and thereby cure the default theretofore existing and
23 thereupon all proceedings theretofore had or instituted shall be
24 dismissed or discontinued, and the obligation and trust deed shall
25 be reinstated and shall be and remain in force and effect the same
26 as if no acceleration had occurred. If the default is cured and the
27 trust deed reinstated in the manner provided in this section, the

1 beneficiary, or his or her assignee, shall, on demand of any person
2 having an interest in the trust property, execute and deliver to
3 him or her a request to the trustee that the trustee execute,
4 acknowledge, and deliver a cancellation of the recorded notice of
5 default under such trust deed, and any beneficiary under a trust
6 deed, or his or her assignee, who, for a period of thirty days
7 after such demand, refuses to request the trustee to execute and
8 deliver such cancellation shall be liable to the person entitled
9 to such request for all damages resulting from such refusal. A
10 cancellation of recorded notice of default under a trust deed
11 shall, when acknowledged, be entitled to be recorded and shall be
12 sufficient if made and executed by the trustee in substantially the
13 following form:

14 Cancellation of Notice of Default

15 The undersigned hereby cancels the notice of default
16 filed for record, 20..., and recorded in book,
17 page, (or computer system reference) Records
18 of County, Nebraska, which notice of default refers
19 to the trust deed executed by as trustor, in which
20 is named as beneficiary and as trustee,
21 and filed for record, 20..., and recorded in book
22, page, (or computer system reference)
23 Records of County, Nebraska.

24 ~~Signature of trustee~~

25 Signature of trustee or attorney for trustee

26

27 (2) Whenever all or a portion of the principal sum of

1 any obligation secured by a trust deed has, prior to the maturity
2 date fixed in such obligation, become due or been declared due by
3 reason of a breach or default in the performance of any obligation
4 secured by the trust deed, including a default in the payment
5 of interest or of any installment of principal, or by reason of
6 failure of the trustor to pay, in accordance with the terms of such
7 trust deed, taxes, assessments, premiums for insurance, or advances
8 made by the beneficiary in accordance with terms of such obligation
9 or of such trust deed, in the event the trustor or his or her
10 successor in interest or any other person having a subordinate
11 lien or encumbrance of record thereon or any beneficiary under
12 a subordinate trust deed makes payment of the entire amount then
13 due under the terms of such trust deed and the obligation secured
14 thereby at any time subsequent to the breach or default and prior
15 to the sale of the trust property under section 76-1010, the
16 beneficiary shall be allowed to collect the costs and expenses
17 actually incurred in enforcing the terms of such obligation, or
18 trust deed, including the trustee's fees, costs, and expenses
19 actually incurred, not to exceed the amount provided in the trust
20 deed or the obligation secured thereby.

21 2. On page 1, line 2, after "8-179," insert "45-335,
22 45-336,"; in line 3 strike "and 45-1007" and insert "45-901,
23 45-906, 45-907, 45-911, 45-912, 45-915, 45-916, 45-917, 45-919,
24 45-922, 45-925, 45-1002, 45-1007, and 45-1026"; in line 5 after
25 "8-1012," insert "8-1122.01,", strike "and", and after the last
26 comma insert "76-1006, 76-1007, 76-1008, and 76-1012,"; and in line
27 7 strike "and" and after the last comma insert "and 45-1024,".

1 3. On page 2, line 8, after the semicolon insert "to
2 repeal the rejection of federal limits on registration under
3 the Securities Act of Nebraska;"; and in line 12, after the
4 semicolon insert "to change provisions relating to the Delayed
5 Deposit Services Licensing Act; to change provisions relating
6 to installment sales and loans and to define terms; to change
7 requirements relating to charges, loan fees, and the writing of
8 loans or other products or services as prescribed; to change
9 provisions relating to the sale of trust property;".

10 4. On page 23, line 8, strike "surrender" and insert
11 "revocation, suspension, cancellation, or expiration".

12 5. On page 28, line 7, strike "32" and insert "35".

13 6. On page 51, strike beginning with "17" in line 9
14 through "38" in line 10 and insert "17, 18, 19, 20, 21, 22, 23, 27,
15 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43,
16 44, 45, 46, 47, 49, and 60"; in line 13 strike "and" and insert a
17 comma and after the last comma insert "45-335, 45-336, 45-1002, and
18 45-1026,"; in line 14 strike "section 8-178" and insert "sections
19 8-178, 76-1006, 76-1007, 76-1008, and 76-1012,"; in line 15 strike
20 "and"; in line 16 after "21-17,115," insert "and 45-1024,"; in
21 line 20 after "45-717.01," insert "45-901, 45-906, 45-907, 45-911,
22 45-912, 45-915, 45-916, 45-917, 45-919, 45-922, 45-925,"; and in
23 line 21 after the last comma insert "8-1122.01,".

24 7. Renumber the remaining sections accordingly.