

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FIFTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 185**

Introduced by Lindstrom, 18.

Read first time January 10, 2017

Committee: Banking, Commerce and Insurance

- 1 A BILL FOR AN ACT relating to finance; to amend section 45-1009, Reissue
- 2 Revised Statutes of Nebraska, and sections 8-2733 and 45-346,
- 3 Revised Statutes Cumulative Supplement, 2016; to provide procedure
- 4 and notice requirements and powers and duties for the Department of
- 5 Banking and Finance with respect to abandoned license applications
- 6 under the Nebraska Money Transmitters Act, the Nebraska Installment
- 7 Sales Act, and the Nebraska Installment Loan Act; and to repeal the
- 8 original sections.
- 9 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 8-2733, Revised Statutes Cumulative Supplement,  
2 2016, is amended to read:

3 8-2733 (1) Upon the filing of a complete application under the  
4 Nebraska Money Transmitters Act, the director shall investigate the  
5 financial condition and responsibility, financial and business  
6 experience, character, and general fitness of the applicant. The director  
7 may conduct an onsite investigation of the applicant, the reasonable cost  
8 of which shall be borne by the applicant. If the director finds that the  
9 applicant's business will be conducted honestly, fairly, and in a manner  
10 commanding the confidence and trust of the community and that the  
11 applicant has fulfilled the requirements imposed by the act and has paid  
12 the required application or license fee, the director shall issue a  
13 license to the applicant authorizing the applicant to engage in money  
14 transmission in this state. If these requirements have not been met, the  
15 director shall deny the application in writing, setting forth the reasons  
16 for the denial.

17 (2) The director shall approve or deny every application for an  
18 original license within one hundred twenty days after the date a complete  
19 application is submitted, which period may be extended by the written  
20 consent of the applicant. The director shall notify the applicant of the  
21 date when the application is deemed complete.

22 (3) Any applicant aggrieved by a denial issued by the director under  
23 the act may, at any time within fifteen business days after the date of  
24 the denial, request a hearing before the director. The hearing shall be  
25 held in accordance with the Administrative Procedure Act and rules and  
26 regulations of the department.

27 (4) If an applicant for a license under the Nebraska Money  
28 Transmitters Act does not complete the license application and fails to  
29 respond to a notice or notices from the department to correct the  
30 deficiency or deficiencies for a period of one hundred twenty days or  
31 more after the date the department sends the initial notice to correct

1 the deficiency or deficiencies, the department may deem the application  
2 as abandoned and may issue a notice of abandonment of the application to  
3 the applicant in lieu of proceedings to deny the application.

4       Sec. 2. Section 45-346, Revised Statutes Cumulative Supplement,  
5 2016, is amended to read:

6       45-346 (1) A license issued under the Nebraska Installment Sales Act  
7 is nontransferable and nonassignable. The same person may obtain  
8 additional licenses for each place of business operating as a sales  
9 finance company in this state upon compliance with the act as to each  
10 license.

11       (2) Application for a license shall be on a form prescribed and  
12 furnished by the director and shall include audited financial statements  
13 showing a minimum net worth of one hundred thousand dollars. If the  
14 applicant is an individual or a sole proprietorship, the application  
15 shall include the applicant's social security number.

16       (3) An applicant for a license shall file with the department a  
17 surety bond in the amount of fifty thousand dollars, furnished by a  
18 surety company authorized to do business in this state. The bond shall be  
19 for the use of the State of Nebraska and any Nebraska resident who may  
20 have claims or causes of action against the applicant. The surety may  
21 cancel the bond only upon thirty days' written notice to the director.

22       (4) A license fee of one hundred fifty dollars and any processing  
23 fee allowed under subsection (2) of section 45-354 shall be submitted  
24 along with each application.

25       (5) An initial license shall remain in full force and effect until  
26 the next succeeding December 31. Each license shall remain in force until  
27 revoked, suspended, canceled, expired, or surrendered.

28       (6) The director shall, after an application has been filed for a  
29 license under the act, investigate the facts, and if he or she finds that  
30 the experience, character, and general fitness of the applicant, of the  
31 members thereof if the applicant is a corporation or association, and of

1 the officers and directors thereof if the applicant is a corporation, are  
2 such as to warrant belief that the business will be operated honestly,  
3 fairly, and efficiently within the purpose of the act, the director shall  
4 issue and deliver a license to the applicant to do business as a sales  
5 finance company in accordance with the license and the act. The director  
6 shall have the power to reject for cause any application for a license.

7 (7) The director shall, within his or her discretion, make an  
8 examination and inspection concerning the propriety of the issuance of a  
9 license to any applicant. The cost of such examination and inspection  
10 shall be borne by the applicant.

11 (8) If an applicant for a license under the act does not complete  
12 the license application and fails to respond to a notice or notices from  
13 the department to correct the deficiency or deficiencies for a period of  
14 one hundred twenty days or more after the date the department sends the  
15 initial notice to correct the deficiency or deficiencies, the department  
16 may deem the application as abandoned and may issue a notice of  
17 abandonment of the application to the applicant in lieu of proceedings to  
18 deny the application.

19 Sec. 3. Section 45-1009, Reissue Revised Statutes of Nebraska, is  
20 amended to read:

21 45-1009 (1) The department shall approve or deny every application  
22 for license under section 45-1008 within ninety days after the filing of  
23 an application, if the application is substantially complete and is  
24 accompanied by the required fees and the approved bond.

25 (2) If an applicant for a license under section 45-1008 does not  
26 complete the license application and fails to respond to a notice or  
27 notices from the department to correct the deficiency or deficiencies for  
28 a period of one hundred twenty days or more after the date the department  
29 sends the initial notice to correct the deficiency or deficiencies, the  
30 department may deem the application as abandoned and may issue a notice  
31 of abandonment of the application to the applicant in lieu of proceedings

1 to deny the application.

2       Sec. 4.   Original section 45-1009, Reissue Revised Statutes of  
3 Nebraska, and sections 8-2733 and 45-346, Revised Statutes Cumulative  
4 Supplement, 2016, are repealed.