



Hundredth Legislature - Second Session - 2008
Introducer's Statement of Intent
LB 852

Chairperson: Rich Pahls
Committee: Banking, Commerce and Insurance
Date of Hearing: January 22, 2008

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 852 is a bill introduced at the request of the Nebraska Department of Banking and Finance. Its primary purpose is to update the laws relating to mortgage bankers, delayed deposit service businesses, and installment loan companies.

Section 1 revises the definitions of “mortgage banker” and “mortgage banking business” in Section 45-702 of the Mortgage Bankers Registration and Licensing Act by removing the exclusion in those definitions for persons who make or offer to make less than ten mortgage loans in a calendar year.

Section 2 revises Section 45-703 of the Mortgage Bankers Registration and Licensing Act by providing an exemption from the Act for individuals who finance the sale of their own property or who, on a limited basis, finance property for individual investment.

Section 3 provides a cross-referencing amendment to Section 45-704 of the Mortgage Bankers Registration and Licensing Act necessitated by the additional exemption provided by Section 2.

Section 4 revises Section 45-722 of the Mortgage Bankers Registration and Licensing Act to change the prior notice requirement for changes of control of mortgage bankers from 60 days to 30 days.

Section 5 revises Section 45-907 of the Delayed Deposit Services (DDS) Licensing Act to provide that when the Director waives the hearing requirement for a DDS license application, the costs of a required publication are to be paid by the applicant.

Section 6 revises Section 45-922 of the Delayed Deposit Services (DDS) Licensing Act to authorize the Department to take disciplinary action against a DDS licensee if the licensee knowingly violates a voluntary consent or compliance agreement that it has entered into with the Director.

Section 7 revises Section 45-1006 of the Nebraska Installment Loan Act to provide that the time period for setting a hearing on a license application begins to run when the Department accepts an application for filing as substantially complete and to clarify that costs of hearing are to be paid by the applicant.

Sections 8, 9, and 10 provide the enactment date and amendatory repeal provisions of the bill.

Section 11 provides the emergency clause for Section 4, which is the mortgage banker change of control provision.

Principal Introducer:

Rich Pahls, Chairperson
Committee on Banking, Commerce and Insurance