

LEGISLATURE OF NEBRASKA

ONE HUNDRED FIRST LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 32

FINAL READING

Introduced by Pahls, 31.

Read first time January 8, 2009

Committee: Banking, Commerce and Insurance

A BILL

1 FOR AN ACT relating to banks and banking; to amend section
2 8-113, Reissue Revised Statutes of Nebraska; to change
3 provisions relating to the unauthorized use of the word
4 bank; to repeal the original section; and to declare an
5 emergency.

6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 8-113, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 8-113 (1) No individual, firm, company, corporation,
4 or association doing business in the State of Nebraska, unless
5 organized as a bank under the Nebraska Banking Act or the authority
6 of the federal government, or as a building and loan association,
7 savings and loan association, or savings bank under Chapter 8,
8 article 3, or the authority of the federal government, shall use
9 the word bank or any derivative thereof as any part of a title or
10 description of any business activity.

11 (2) This section does not apply to: ~~(1)~~ (a) Banks,
12 building and loan associations, savings and loan associations, or
13 savings banks chartered and supervised by a foreign state agency;
14 ~~(2)~~ (b) bank holding companies registered pursuant to section 8-913
15 if the term holding company is also used as any part of the
16 title or description of any business activity or if the derivative
17 banc is used; ~~(3)~~ (c) affiliates or subsidiaries of ~~(a)~~ (i) a
18 bank organized under the Nebraska Banking Act or the authority of
19 the federal government or chartered and supervised by a foreign
20 state agency, ~~(b)~~ (ii) a building and loan association, savings
21 and loan association, or savings bank organized under Chapter
22 8, article 3, or the authority of the federal government or
23 chartered and supervised by a foreign state agency, or ~~(e)~~ (iii)
24 a bank holding company registered pursuant to section 8-913 if
25 the term holding company is also used as any part of the title

1 or description of any business activity or if the derivative banc
2 is used; ~~(4)~~ (d) organizations substantially owned by ~~(a)~~ (i) a
3 bank organized under the Nebraska Banking Act or the authority of
4 the federal government or chartered and supervised by a foreign
5 state agency, ~~(b)~~ (ii) a building and loan association, savings
6 and loan association, or savings bank organized under Chapter 8,
7 article 3, or the authority of the federal government or chartered
8 and supervised by a foreign state agency, ~~(c)~~ (iii) a bank holding
9 company registered pursuant to section 8-913 if the term holding
10 company is also used as any part of the title or description of
11 any business activity or if the derivative banc is used, or ~~(d)~~
12 (iv) any combination of entities listed in subdivisions ~~(a)~~ (i)
13 through ~~(c)~~ (iii) of this subdivision; ~~(5)~~ (e) mortgage bankers
14 licensed or registered under the Mortgage Bankers Registration and
15 Licensing Act, if the word mortgage immediately precedes the word
16 bank or its derivative; ~~(6)~~ (f) organizations described in section
17 501(c)(3) of the Internal Revenue Code as defined in section
18 49-801.01 and exempt from taxation under section 501(a) of the
19 code; ~~(7)~~ (g) trade associations which are exempt from taxation
20 under section 501(c)(6) of the code which represent a segment
21 of the banking or savings and loan industries, and any affiliate
22 or subsidiary thereof; (h) firms, companies, corporations, or
23 associations which sponsor incentive-based solid waste recycling
24 programs which issue reward points or credits to persons for their
25 participation therein; and ~~(8)~~ (i) such other firms, companies,

1 corporations, or associations as have been in existence and doing
2 business prior to December 1, 1975, under a name composed in part
3 of the word bank or some derivative thereof.

4 (3) Any violation of this section shall be a Class V
5 misdemeanor.

6 Sec. 2. Original section 8-113, Reissue Revised Statutes
7 of Nebraska, is repealed.

8 Sec. 3. Since an emergency exists, this act takes effect
9 when passed and approved according to law.