

ONE HUNDRED SECOND LEGISLATURE - SECOND SESSION - 2012
COMMITTEE STATEMENT
LB965

Hearing Date: Monday January 30, 2012
Committee On: Banking, Commerce and Insurance
Introducer: Pahls
One Liner: Change provisions relating to the Nebraska Installment Sales Act, the Residential Mortgage Licensing Act, and the Nebraska Installment Loan Act

Roll Call Vote - Final Committee Action:
Advanced to General File

Vote Results:
Aye: 6 Senators Gloor, McCoy, Pahls, Pirsch, Schilz, Schumacher
Nay: 2 Senators Christensen, Langemeier
Absent:
Present Not Voting:

Proponents: Senator Rich Pahls John Munn	Representing: Introducer NE Department of Banking and Finance
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Opponents:	Representing:
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Neutral:	Representing:
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Summary of purpose and/or changes:

This bill is introduced at the request of the Director of Banking and Finance. Its purpose is to amend and update the Nebraska Installment Sales Act to provide efficiencies in the licensing process; to amend and update the Residential Mortgage Licensing Act to coordinate with federal regulations and to improve the enforcement authority of the Department of Banking and Finance; and to provide a coordinating definitional amendment to the Nebraska Installment Loan Act.

INSTALLMENT SALES

Section 1 amends Section 45-334 of the Nebraska Installment Sales Act to incorporate new Sections 8 and 9 of the bill into the Act.

Section 2 amends Section 45-335, which is the definitional statute for the Nebraska Installment Sales Act, by adding and defining the terms, "Department," "person," "Nationwide Mortgage Licensing System and Registry," and "breach of security of the system." The latter two terms are necessary to facilitate the amendments in Sections 4, 6, 8, and 9 of the bill, which would allow the transition of the licensing process under this Act to the Nationwide Mortgage Licensing System and Registry.

Section 3 amends Section 45-345 of the Nebraska Installment Sales Act to coordinate with the definition of "Department" added to Section 2 of the bill.

Section 4 amends Section 45-346 of the Nebraska Installment Sales Act to provide transitional procedures for installment sales licensees onto the Nationwide Mortgage Licensing System and Registry, including a change in the

annual license renewal date from October 1 to December 31, and to allow a processing fee payable to the System.

Section 5 amends Section 45-346.01 of the Nebraska Installment Sales Act to allow a licensee to move its place of business anywhere without having to apply for a new license. The law currently provides that a move outside a county requires re-licensure. Current law also requires a licensee to give ten days prior notice to the Department for such move. The time period would be increased to thirty days under this amendment.

Rich Pahls, Chairperson