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

LB186 is a bill introduced at the request of the Nebraska Department of Banking and Finance relating to the Nebraska Money Transmitters Act.

The bill would amend section 8-2727 which requires licensees to maintain a surety bond to secure their obligations under the act. Current law provides for a bond in the base amount of $100,000 and requires an increase in the bond, up to a maximum $250,000, based on the number of a licensee's Nebraska locations. The amendment would base the bonding requirements on the volume of the licensee's money transmitter transactions in Nebraska rather than locations. The bill would further require a licensee to increase its bond upon receipt of a thirty-day prior notice from the department. The bill would provide an additional level of protection to Nebraska residents.

Principal Introducer: ____________________________
Senator Brett Lindstrom