

AMENDMENTS TO LB730

Introduced by Holdcroft, 36.

1 1. Strike the original sections and insert the following new
2 sections:

3 Section 1. Sections 1 to 6 of this act shall be known and may be
4 cited as the Fair Access to Financial Services Act.

5 Sec. 2. The Legislature recognizes the rights of Nebraska
6 residents, including the freedom of speech and association, and that such
7 rights may be infringed if banks, credit unions, or insurance providers
8 limit access to financial products or services for any reason other than
9 objective financial criteria. The protection of the rights of Nebraska
10 residents and businesses, including financial freedom, is a fundamental
11 role of government, and any limitations on access to financial products
12 or services based on nontraditional criteria not only threatens the
13 rights and proper privileges of Nebraska residents and businesses, but
14 also is a menace to the institutions and foundation of a free democratic
15 state and a threat to the peace, order, health, safety, and general
16 welfare of the state and its residents.

17 Sec. 3. For purposes of the Fair Access to Financial Services Act:

18 (1) Environmental, social, and governance criteria means an
19 investment strategy that encourages an organization to act responsibly
20 based on the organization's environmental footprint, stance on social
21 issues, and internal corporate governance; and

22 (2) Person means any natural person, partnership, corporation, or
23 other business or legal entity.

24 Sec. 4. (1) To provide fair access to financial products and
25 services, a bank shall not, except as otherwise provided in the act:

26 (a) Deny any person a financial product or service the bank offers
27 except to the extent justified by such person's documented failure to

1 meet quantitative, impartial, and risk-based financial standards
2 established in advance by the bank;

3 (b) Deny any person a financial product or service the bank offers,
4 other than as provided in subdivision (a) of this subsection, when the
5 effect of the denial is to prevent, limit, or otherwise disadvantage the
6 person:

7 (i) From entering or competing in a market or business segment; or

8 (ii) In such a way that benefits another person or business activity
9 in which the bank has a financial interest; and

10 (c) Deny, in coordination with another person, any person a
11 financial product or service the bank offers.

12 (2) A bank that utilizes standards or guidelines based on subjective
13 measures such as environmental, social, and governance criteria, or
14 political and ideological factors shall:

15 (a) Disclose to any state authority that oversees the bank the
16 specific standards, guidelines, and criteria used by the bank to
17 determine access or denial of a financial product or service to a person
18 in this state;

19 (b) Comply with any rules and regulations adopted and promulgated by
20 any state authority that oversees the bank; and

21 (c) Disclose to any person denied a financial product or service the
22 specific data, information, criteria, and standards used to support such
23 denial. Such disclosure shall be in bold fourteen-point type.

24 Sec. 5. A credit union may not deny membership, a loan, or services
25 to a person that meets the scope and field of membership for that credit
26 union, based solely on subjective measures such as environmental, social,
27 and governance criteria, or political and ideological factors without
28 actual notice delivered to the person of the measures, criteria, or
29 factors used in making the denial.

30 Sec. 6. An insurance provider may not refuse to insure and may not
31 charge a different rate solely in consideration of the risks relating to

1 environmental, social, and governance criteria, diversity, equity, and
2 inclusion policies, or political and ideological factors, unless the
3 refusal or different rate is the result of the application of sound
4 underwriting and actuarial principles related to actual or reasonably
5 anticipated loss experience.