

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 92

FINAL READING
(SECOND)

Introduced by Slama, 1.

Read first time January 06, 2023

Committee: Banking, Commerce and Insurance

1 A BILL FOR AN ACT relating to law; to amend sections 8-101.03, 8-102,
2 8-115, 8-135, 8-141, 8-143.01, 8-157.01, 8-183.04, 8-1,140, 8-318,
3 8-355, 8-602, 8-1101, 8-1101.01, 8-1704, 8-1707, 8-2724, 8-2903,
4 8-3002, 8-3003, 8-3004, 8-3005, 8-3007, 8-3008, 8-3011, 8-3012,
5 8-3013, 8-3014, 8-3015, 8-3016, 8-3017, 8-3018, 8-3019, 8-3020,
6 8-3021, 8-3022, 8-3023, 8-3025, 8-3026, 8-3028, 8-3030, 10-110,
7 10-402, 10-403, 10-405, 10-507, 10-711, 10-804, 13-509, 21-17,115,
8 44-319.02, 44-319.03, 44-319.06, 44-785, 44-1993, 44-2824, 44-2825,
9 44-2827, 44-2831.01, 44-2832, 44-2833, 44-3308, 44-4054, 44-5140,
10 45-191.01, 45-191.04, 45-735, 45-1002, 45-1003, 45-1006, 58-201, and
11 76-1007, Reissue Revised Statutes of Nebraska, sections 44-7,102,
12 44-5141, 59-1722, 69-2103, 69-2104, 69-2112, and 77-6801, Revised
13 Statutes Cumulative Supplement, 2022, and section 4A-108, Uniform
14 Commercial Code, Revised Statutes Cumulative Supplement, 2022; to
15 change provisions relating to the Commodity Code, the Consumer
16 Rental Purchase Agreement Act, the Credit Union Act, the ImagineNE
17 Nebraska Act, the Insurance Producers Licensing Act, the Insurers
18 Investment Act, the Nebraska Banking Act, the Nebraska Financial
19 Innovation Act, the Nebraska Hospital-Medical Liability Act, the
20 Nebraska Installment Loan Act, the Nebraska Investment Finance
21 Authority Act, the Nebraska Money Transmitters Act, the Nebraska

1 Trust Deeds Act, the Residential Mortgage Licensing Act, the
2 Securities Act of Nebraska, the Seller-Assisted Marketing Plan Act,
3 the Uniform Commercial Code—Funds Transfers, financial institutions,
4 digital asset depositories, bonds secured by property tax levies,
5 securities deposited for the benefit of policyholders and creditors
6 of insurance companies, insurance coverage of breast examinations,
7 insurance coverage of colon examinations, title insurance
8 regulation, loan brokers, and the Olmstead Plan; to adopt updates to
9 federal laws and regulations relating to financial institutions; to
10 provide restrictions on insurance coverage of prescription insulin
11 drugs and electronic delivery of communications related to health
12 benefit plans; to adopt the Insurance Regulatory Sandbox Act; to
13 provide a duty for the Revisor of Statutes; to provide operative
14 dates; to provide severability; to repeal the original sections; and
15 to declare an emergency.

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

1 Section 1. Section 8-101.03, Reissue Revised Statutes of Nebraska,
2 is amended to read:

3 8-101.03 For purposes of the Nebraska Banking Act, unless the
4 context otherwise requires:

5 (1) Access device means a code, a transaction card, or any other
6 means of access to a customer's account, or any combination thereof, that
7 may be used by a customer for the purpose of initiating an electronic
8 funds transfer at an automatic teller machine or a point-of-sale
9 terminal;

10 (2) Acquiring financial institution means any financial institution
11 establishing a point-of-sale terminal;

12 (3) Automatic teller machine means a machine established and located
13 in the State of Nebraska, whether attended or unattended, which utilizes
14 electronic, sound, or mechanical signals or impulses, or any combination
15 thereof, and from which electronic funds transfers may be initiated and
16 at which banking transactions as defined in section 8-157.01 may be
17 conducted. An unattended automatic teller machine shall not be deemed to
18 be a branch operated by a financial institution;

19 (4) Automatic teller machine surcharge means a fee that an operator
20 of an automatic teller machine imposes upon a consumer for an electronic
21 funds transfer, if such operator is not the financial institution that
22 holds an account of such consumer from which the electronic funds
23 transfer is to be made;

24 (5) Bank or banking corporation means any incorporated banking
25 institution which was incorporated under the laws of this state as they
26 existed prior to May 9, 1933, and any corporation duly organized under
27 the laws of this state for the purpose of conducting a bank within this
28 state under the act. Bank means any such banking institution which is, in
29 addition to the exercise of other powers, following the practice of
30 repaying deposits upon check, draft, or order and of making loans. Bank
31 or banking corporation includes a digital asset depository institution as

1 defined in section 8-3003. Notwithstanding the provisions of this
2 subdivision, a digital asset depository institution is subject to the
3 provisions of subdivision (2)(b) of section 8-3005;

4 (6)(a) Bank subsidiary means a corporation or limited liability
5 company that:

6 (i) Has a bank as a shareholder, member, or investor; and

7 (ii) Is organized for purposes of engaging in activities which are
8 part of the business of banking or incidental to such business except for
9 the receipt of deposits.

10 (b) A bank subsidiary may include a corporation organized under the
11 Nebraska Financial Innovation Act.

12 (c) A bank subsidiary is not to be considered a branch of its bank
13 shareholder;

14 (7) Capital or capital stock means capital stock;

15 (8) Data processing center means a facility, wherever located, at
16 which electronic impulses or other indicia of a transaction originating
17 at an automatic teller machine are received and either authorized or
18 routed to a switch or other data processing center in order to enable the
19 automatic teller machine to perform any function for which it is
20 designed;

21 (9) Department means the Department of Banking and Finance;

22 (10) Digital asset depository means a financial institution that
23 securely holds liquid assets when such assets are in the form of
24 controllable electronic records, either as a corporation organized,
25 chartered, and operated pursuant to the Nebraska Financial Innovation Act
26 as a digital asset depository institution, or a financial institution
27 operating a digital asset depository business as a digital asset
28 depository department under a charter granted ~~grant of authority~~ by the
29 director;

30 (11) Director means the Director of Banking and Finance;

31 (12) Financial institution means a bank, savings bank, building and

1 loan association, savings and loan association, or credit union, whether
2 chartered by the United States, the department, or a foreign state
3 agency; any other similar organization which is covered by federal
4 deposit insurance; a trust company; or a digital asset depository that is
5 not a digital asset depository institution;

6 (13) Financial institution employees includes parent holding company
7 and affiliate employees;

8 (14) Foreign state agency means any duly constituted regulatory or
9 supervisory agency which has authority over financial institutions and
10 which is created under the laws of any other state, any territory of the
11 United States, Puerto Rico, Guam, American Samoa, the Trust Territory of
12 the Pacific Islands, or the Virgin Islands or which is operating under
13 the code of law for the District of Columbia;

14 (15) Impulse means an electronic, sound, or mechanical impulse, or
15 any combination thereof;

16 (16) Insolvent means a condition in which (a) the actual cash market
17 value of the assets of a bank is insufficient to pay its liabilities to
18 its depositors, (b) a bank is unable to meet the demands of its creditors
19 in the usual and customary manner, (c) a bank, after demand in writing by
20 the director, fails to make good any deficiency in its reserves as
21 required by law, or (d) the stockholders of a bank, after written demand
22 by the director, fail to make good an impairment of its capital or
23 surplus;

24 (17) Making loans includes advances or credits that are initiated by
25 means of credit card or other transaction card. Transaction card and
26 other transactions, including transactions made pursuant to prior
27 agreements, may be brought about and transmitted by means of an
28 electronic impulse. Such loan transactions including transactions made
29 pursuant to prior agreements shall be subject to sections 8-815 to 8-829
30 and shall be deemed loans made at the place of business of the financial
31 institution;

1 (18) Order includes orders transmitted by electronic transmission;

2 (19) Point-of-sale terminal means an information processing terminal
3 which utilizes electronic, sound, or mechanical signals or impulses, or
4 any combination thereof, which are transmitted to a financial institution
5 or which are recorded for later transmission to effectuate electronic
6 funds transfer transactions for the purchase or payment of goods and
7 services and which are initiated by an access device. A point-of-sale
8 terminal is not a branch operated by a financial institution. Any
9 terminal owned or operated by a seller of goods and services shall be
10 connected directly or indirectly to an acquiring financial institution;
11 and

12 (20) Switch means any facility where electronic impulses or other
13 indicia of a transaction originating at an automatic teller machine are
14 received and are routed and transmitted to a financial institution or
15 data processing center, wherever located. A switch may also be a data
16 processing center.

17 Sec. 2. Section 8-102, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 8-102 (1) The department shall, under the laws of this state
20 specifically made applicable to each, have general supervision and
21 control over banks, trust companies, credit unions, building and loan
22 associations, savings and loan associations, and digital asset
23 depositories, all of which are hereby declared to be quasi-public in
24 nature and subject to regulation and control by the state.

25 (2) The director may prescribe conditions on banks, trust companies,
26 credit unions, building and loan associations, savings and loan
27 associations, and digital asset depositories, and their holding
28 companies, if any, as part of any written order, decision, or
29 determination required to be made pursuant to the Credit Union Act, the
30 Nebraska Banking Act, the Nebraska Financial Innovation Act, and Chapter
31 8, article 3.

1 Sec. 3. Section 8-115, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 8-115 No corporation shall conduct a bank or digital asset
4 depository in this state without having first obtained a charter ~~or under~~
5 ~~a grant of authority in the case of a digital asset depository~~ in the
6 manner provided in the Nebraska Banking Act or the Nebraska Financial
7 Innovation Act, respectively.

8 Sec. 4. Section 8-135, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 8-135 (1) All persons, regardless of age, may become depositors in
11 any bank and shall be subject to the same duties and liabilities
12 respecting their deposits. Whenever a deposit is accepted by any bank in
13 the name of any person, regardless of age, the deposit may be withdrawn
14 by the depositor by any of the following methods:

15 (a) Check or other instrument in writing. The check or other
16 instrument in writing constitutes a receipt or acquittance if the check
17 or other instrument in writing is signed by the depositor and constitutes
18 a valid release and discharge to the bank for all payments so made; or

19 (b) Electronic means through:

20 (i) Preauthorized direct withdrawal;

21 (ii) An automatic teller machine;

22 (iii) A debit card;

23 (iv) A transfer by telephone;

24 (v) A network, including the Internet; or

25 (vi) Any electronic terminal, computer, magnetic tape, or other
26 electronic means.

27 (2) All persons, individually or with others and regardless of age,
28 may enter into an agreement with a bank for the lease of a safe deposit
29 box and shall be bound by the terms of the agreement.

30 (3) This section shall not be construed to affect the rights,
31 liabilities, or responsibilities of participants in an electronic fund

1 transfer under the federal Electronic Fund Transfer Act, 15 U.S.C. 1693
2 et seq., as such act existed on January 1, 2023 ~~2022~~, and shall not
3 affect the legal relationships between a minor and any person other than
4 the bank.

5 Sec. 5. Section 8-141, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 8-141 (1) No bank shall directly or indirectly loan to any single
8 corporation, limited liability company, firm, or individual, including in
9 such loans all loans made to the several members or shareholders of such
10 corporation, limited liability company, or firm, for the use and benefit
11 of such corporation, limited liability company, firm, or individual, more
12 than twenty-five percent of the paid-up capital, surplus, and capital
13 notes and debentures or fifteen percent of the unimpaired capital and
14 unimpaired surplus of such bank, whichever is greater. Such limitations
15 shall be subject to the following exceptions:

16 (a) Obligations of any person, partnership, limited liability
17 company, association, or corporation in the form of notes or drafts
18 secured by shipping documents or instruments transferring or securing
19 title covering livestock or giving a lien on livestock, when the market
20 value of the livestock securing the obligation is not at any time less
21 than one hundred fifteen percent of the face amount of the notes covered
22 by such documents, shall be subject under this section to a limitation of
23 ten percent of such capital, surplus, and capital notes and debentures or
24 ten percent of such unimpaired capital and unimpaired surplus, whichever
25 is greater, in addition to such twenty-five percent of such capital and
26 surplus or such fifteen percent of such unimpaired capital and unimpaired
27 surplus;

28 (b) Obligations of any person, partnership, limited liability
29 company, association, or corporation secured by not less than a like
30 amount of bonds or notes of the United States issued since April 24,
31 1917, or certificates of indebtedness of the United States, treasury

1 bills of the United States, or obligations fully guaranteed both as to
2 principal and interest by the United States shall be subject under this
3 section to a limitation of ten percent of such capital, surplus, and
4 capital notes and debentures or ten percent of such unimpaired capital
5 and unimpaired surplus, whichever is greater, in addition to such twenty-
6 five percent of such capital and surplus or such fifteen percent of such
7 unimpaired capital and unimpaired surplus;

8 (c) Obligations of any person, partnership, limited liability
9 company, association, or corporation which are secured by negotiable
10 warehouse receipts in an amount not less than one hundred fifteen percent
11 of the face amount of the note or notes secured by such documents shall
12 be subject under this section to a limitation of ten percent of such
13 capital, surplus, and capital notes and debentures or ten percent of such
14 unimpaired capital and unimpaired surplus, whichever is greater, in
15 addition to such twenty-five percent of such capital and surplus or such
16 fifteen percent of such unimpaired capital and unimpaired surplus; or

17 (d) Obligations of any person, partnership, limited liability
18 company, association, or corporation which are secured by readily
19 marketable collateral having a market value, as determined by reliable
20 and continuously available price quotations, in an amount at least equal
21 to the face amount of the note or notes secured by such collateral, shall
22 be subject under this section to a limitation of ten percent of such
23 capital, surplus, and capital notes and debentures or ten percent of such
24 unimpaired capital and unimpaired surplus, whichever is greater, in
25 addition to such twenty-five percent of such capital and surplus or such
26 fifteen percent of such unimpaired capital and unimpaired surplus.

27 (2)(a) For purposes of this section, the discounting of bills of
28 exchange, drawn in good faith against actually existing values, and the
29 discounting of commercial paper actually owned by the persons negotiating
30 the bills of exchange or commercial paper shall not be considered as the
31 lending of money.

1 (b) Loans or obligations shall not be subject to any limitation
2 under this section, based upon such capital and surplus or such
3 unimpaired capital and unimpaired surplus, to the extent that such
4 capital and surplus or such unimpaired capital and unimpaired surplus are
5 secured or covered by guaranties, or by commitments or agreements to take
6 over or to purchase such capital and surplus or such unimpaired capital
7 and unimpaired surplus, made by any federal reserve bank or by the United
8 States Government or any authorized agency thereof, including any
9 corporation wholly owned directly or indirectly by the United States, or
10 general obligations of any state of the United States or any political
11 subdivision of the state. The phrase general obligation of any state or
12 any political subdivision of the state means an obligation supported by
13 the full faith and credit of an obligor possessing general powers of
14 taxation, including property taxation, but does not include municipal
15 revenue bonds and sanitary and improvement district warrants which are
16 subject to the limitations set forth in this section.

17 (c) Any bank may subscribe to, invest in, purchase, and own single-
18 family mortgages secured by the Federal Housing Administration or the
19 United States Department of Veterans Affairs and mortgage-backed
20 certificates of the Government National Mortgage Association which are
21 guaranteed as to payment of principal and interest by the Government
22 National Mortgage Association. Such mortgages and certificates shall not
23 be subject under this section to any limitation based upon such capital
24 and surplus or such unimpaired capital and unimpaired surplus.

25 (d) Obligations representing loans to any national banking
26 association or to any banking institution organized under the laws of any
27 state, when such loans are approved by the director by rule and
28 regulation or otherwise, shall not be subject under this section to any
29 limitation based upon such capital and surplus or such unimpaired capital
30 and unimpaired surplus.

31 (e) Loans or extensions of credit secured by a segregated deposit

1 account in the lending bank shall not be subject under this section to
2 any limitation based on such capital and surplus or such unimpaired
3 capital and unimpaired surplus. The director may adopt and promulgate
4 rules and regulations governing the terms and conditions of such security
5 interest and segregated deposit account.

6 (f) For the purpose of determining lending limits, partnerships
7 shall not be treated as separate entities. Each individual shall be
8 charged with his or her personal debt plus the debt of every partnership
9 in which he or she is a partner, except that for purposes of this section
10 (a) an individual shall only be charged with the debt of any limited
11 partnership in which he or she is a partner to the extent that the terms
12 of the limited partnership agreement provide that such individual is to
13 be held liable for the debts or actions of such limited partnership and
14 (b) no individual shall be charged with the debt of any general
15 partnership in which he or she is a partner beyond the extent to which
16 (i) his or her liability for such partnership debt is limited by the
17 terms of a contract or other written agreement between the bank and such
18 individual and (ii) any personal debt of such individual is incurred for
19 the use and benefit of such general partnership.

20 (3) A loan made within lending limits at the initial time the loan
21 was made may be renewed, extended, or serviced without regard to changes
22 in the lending limit of a bank following the initial extension of the
23 loan if (a) the renewal, extension, or servicing of the loan does not
24 result in the extension of funds beyond the initial amount of the loan or
25 (b) the accrued interest on the loan is not added to the original amount
26 of the loan in the process of renewal, extension, or servicing.

27 (4) Any bank may purchase or take an interest in life insurance
28 contracts for any purpose incidental to the business of banking. A bank's
29 purchase of any life insurance contract, as measured by its cash
30 surrender value, from any one life insurance company shall not at any
31 time exceed twenty-five percent of the paid-up capital, surplus, and

1 capital notes and debentures of such bank or fifteen percent of the
2 unimpaired capital and unimpaired surplus of such bank, whichever is
3 greater. A bank's purchase of life insurance contracts, as measured by
4 their cash surrender values, in the aggregate from all life insurance
5 companies shall not at any time exceed thirty-five percent of the paid-up
6 capital, surplus, undivided profits, and capital notes and debentures of
7 such bank. The limitations under this subsection on a bank's purchase of
8 life insurance contracts, in the aggregate from all life insurance
9 companies, shall not apply to any contract purchased prior to April 5,
10 1994.

11 (5) On and after January 21, 2013, the director has the authority to
12 determine the manner and extent to which credit exposure resulting from
13 derivative transactions, repurchase agreements, reverse repurchase
14 agreements, securities lending transactions, and securities borrowing
15 transactions shall be taken into account for purposes of determining
16 compliance with this section. In making such determinations, the director
17 may, but is not required to, act by rule and regulation or order.

18 (6) For purposes of this section:

19 (a) Derivative transaction means any transaction that is a contract,
20 agreement, swap, warrant, note, or option that is based, in whole or in
21 part, on the value of, any interest in, or any quantitative measure or
22 the occurrence of any event relating to, one or more commodities,
23 securities, currencies, interest or other rates, indices, or other
24 assets;

25 (b) Loan includes:

26 (i) All direct and indirect advances of funds to a person made on
27 the basis of any obligation of that person to repay the funds or
28 repayable from specific property pledged by or on behalf of that person;

29 (ii) To the extent specified by rule and regulation or order of the
30 director, any liability of a state bank to advance funds to or on behalf
31 of a person pursuant to a contractual commitment; and

1 (iii) Any credit exposure to a person arising from a derivative
2 transaction, repurchase agreement, reverse repurchase agreement,
3 securities lending transaction, or securities borrowing transaction
4 between the bank and the person; and

5 (c) Unimpaired capital and unimpaired surplus means:

6 (i) For qualifying banks that have elected to use the community bank
7 leverage ratio framework, as set forth under the Capital Adequacy
8 Standards of the appropriate federal banking agency:

9 (A) The bank's tier 1 capital as reported according to the capital
10 guidelines of the appropriate federal banking agency; and

11 (B) The bank's allowance for loan and lease losses or allowance for
12 credit losses, as applicable, as reported in the most recent consolidated
13 report of condition filed under 12 U.S.C. 1817(a)(3), as such section
14 existed on January 1, 2023 ~~2022~~; and

15 (ii) For all other banks:

16 (A) The bank's tier 1 and tier 2 capital included in the bank's
17 risk-based capital under the capital guidelines of the appropriate
18 federal banking agency, based on the bank's most recent consolidated
19 report of condition filed under 12 U.S.C. 1817(a)(3), as such section
20 existed on January 1, 2023 ~~2022~~; and

21 (B) The balance of the bank's allowance for loan and lease losses
22 not included in the bank's tier 2 capital for purposes of the calculation
23 of risk-based capital by the appropriate federal banking agency, based on
24 the bank's most recent consolidated report of condition filed under 12
25 U.S.C. 1817(a)(3), as such section existed on January 1, 2023 ~~2022~~.

26 (7) Notwithstanding the provisions of section 8-1,140, the director
27 may, by order, deny or limit the inclusion of goodwill in the calculation
28 of a bank's unimpaired capital and unimpaired surplus or in the
29 calculation of a bank's paid-up capital and surplus.

30 Sec. 6. Section 8-143.01, Reissue Revised Statutes of Nebraska, is
31 amended to read:

1 8-143.01 (1) No bank shall extend credit to any of its executive
2 officers, directors, or principal shareholders or to any related interest
3 of such persons in an amount that, when aggregated with the amount of all
4 other extensions of credit by the bank to that person and to all related
5 interests of that person, exceeds the higher of twenty-five thousand
6 dollars or five percent of the bank's unimpaired capital and unimpaired
7 surplus unless (a) the extension of credit has been approved in advance
8 by a majority vote of the entire board of directors of the bank, a record
9 of which shall be made and kept as a part of the records of such bank,
10 and (b) the interested party has abstained from participating directly or
11 indirectly in such vote.

12 (2) No bank shall extend credit to any of its executive officers,
13 directors, or principal shareholders or to any related interest of such
14 persons in an amount that, when aggregated with the amount of all other
15 extensions of credit by the bank to that person and to all related
16 interests of that person, exceeds five hundred thousand dollars except by
17 complying with the requirements of subdivisions (1)(a) and (b) of this
18 section.

19 (3) No bank shall extend credit to any of its executive officers,
20 and no such executive officer shall borrow from or otherwise become
21 indebted to his or her bank, except in the amounts and for the purposes
22 set forth in subsection (4) of this section.

23 (4) A bank shall be authorized to extend credit to any of its
24 executive officers:

25 (a) In any amount to finance the education of such executive
26 officer's children;

27 (b)(i) In any amount to finance or refinance the purchase,
28 construction, maintenance, or improvement of a residence of such
29 executive officer if the extension of credit is secured by a first lien
30 on the residence and the residence is owned or is expected to be owned
31 after the extension of credit by the executive officer and (ii) in the

1 case of a refinancing, only the amount of the refinancing used to repay
2 the original extension of credit, together with the closing costs of the
3 refinancing, and any additional amount thereof used for any of the
4 purposes enumerated in this subdivision are included within this category
5 of credit;

6 (c) In any amount if the extension of credit is (i) secured by a
7 perfected security interest in bonds, notes, certificates of
8 indebtedness, or treasury bills of the United States or in other such
9 obligations fully guaranteed as to principal and interest by the United
10 States, (ii) secured by unconditional takeout commitments or guarantees
11 of any department, agency, bureau, board, commission, or establishment of
12 the United States or any corporation wholly owned directly or indirectly
13 by the United States, or (iii) secured by a perfected security interest
14 in a segregated deposit account in the lending bank; or

15 (d) For any other purpose not specified in subdivisions (a), (b),
16 and (c) of this subsection if the aggregate amount of such other
17 extensions of credit to such executive officer does not exceed, at any
18 one time, the greater of two and one-half percent of the bank's
19 unimpaired capital and unimpaired surplus or twenty-five thousand
20 dollars, but in no event greater than one hundred thousand dollars or the
21 amount of the bank's lending limit as prescribed in section 8-141,
22 whichever is less.

23 (5)(a) Except as provided in subdivision (b) or (c) of this
24 subsection, any executive officer shall make, on an annual basis, a
25 written report to the board of directors of the bank of which he or she
26 is an executive officer stating the date and amount of all loans or
27 indebtedness on which he or she is a borrower, cosigner, or guarantor,
28 the security therefor, and the purpose for which the proceeds have been
29 or are to be used.

30 (b) Except as provided in subdivision (c) of this subsection, in
31 lieu of the reports required by subdivision (a) of this subsection, the

1 board of directors of a bank may obtain a credit report from a recognized
2 credit agency, on an annual basis, for any or all of its executive
3 officers.

4 (c) Subdivisions (a) and (b) of this subsection do not apply to any
5 executive officer if such officer is excluded by a resolution of the
6 board of directors or by the bylaws of the bank from participating in the
7 major policymaking functions of the bank and does not actually
8 participate in the major policymaking functions of the bank.

9 (6) No bank shall extend credit to any of its executive officers,
10 directors, or principal shareholders or to any related interest of such
11 persons in an amount that, when aggregated with the amount of all other
12 extensions of credit by the bank to that person and to all related
13 interests of that person, exceeds the lending limit of the bank as
14 prescribed in section 8-141.

15 (7)(a) Except as provided in subdivision (b) of this subsection, no
16 bank shall extend credit to any of its executive officers, directors, or
17 principal shareholders or to any related interest of such persons unless
18 the extension of credit (i) is made on substantially the same terms,
19 including interest rates and collateral, as, and following credit-
20 underwriting procedures that are not less stringent than, those
21 prevailing at the time for comparable transactions by the bank with other
22 persons that are not covered by this section and who are not employed by
23 the bank and (ii) does not involve more than the normal risk of repayment
24 or present other unfavorable features.

25 (b) Nothing in subdivision (a) of this subsection shall prohibit any
26 extension of credit made by a bank pursuant to a benefit or compensation
27 program under the provisions of 12 C.F.R. 215.4(a)(2), as such regulation
28 existed on January 1, 2023 ~~2022~~.

29 (8) For purposes of this section:

30 (a) Executive officer means a person who participates or has
31 authority to participate, other than in the capacity of director, in the

1 major policymaking functions of the bank, whether or not the officer has
2 an official title, the title designates such officer as an assistant, or
3 such officer is serving without salary or other compensation. Executive
4 officer includes the chairperson of the board of directors, the
5 president, all vice presidents, the cashier, the corporate secretary, and
6 the treasurer, unless the executive officer is excluded by a resolution
7 of the board of directors or by the bylaws of the bank from
8 participating, other than in the capacity of director, in the major
9 policymaking functions of the bank, and the executive officer does not
10 actually participate in such functions. A manager or assistant manager of
11 a branch of a bank shall not be considered to be an executive officer
12 unless such individual participates or is authorized to participate in
13 the major policymaking functions of the bank; and

14 (b) Unimpaired capital and unimpaired surplus means the sum of:

15 (i) The total equity capital of the bank reported on its most recent
16 consolidated report of condition filed under section 8-166;

17 (ii) Any subordinated notes and debentures approved as an addition
18 to the bank's capital structure by the appropriate federal banking
19 agency; and

20 (iii) Any valuation reserves created by charges to the bank's income
21 reported on its most recent consolidated report of condition filed under
22 section 8-166.

23 (9) Any executive officer, director, or principal shareholder of a
24 bank or any other person who intentionally violates this section or who
25 aids, abets, or assists in a violation of this section is guilty of a
26 Class IV felony.

27 (10) The Director of Banking and Finance may adopt and promulgate
28 rules and regulations to carry out this section, including rules and
29 regulations defining or further defining terms used in this section,
30 consistent with the provisions of 12 U.S.C. 84 and implementing
31 Regulation 0 as such section and regulation existed on January 1, 2023

1 2022.

2 Sec. 7. Section 8-157.01, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 8-157.01 (1) Any establishing financial institution may establish
5 and maintain any number of automatic teller machines at which all banking
6 transactions, defined as receiving deposits of every kind and nature and
7 crediting such to customer accounts, cashing checks and cash withdrawals,
8 transferring funds from checking accounts to savings accounts,
9 transferring funds from savings accounts to checking accounts,
10 transferring funds from either checking accounts and savings accounts to
11 accounts of other customers, transferring payments from customer accounts
12 into accounts maintained by other customers of the financial institution
13 or the financial institution, including preauthorized draft authority,
14 preauthorized loans, and credit transactions, receiving payments payable
15 at the financial institution or otherwise, account balance inquiry, and
16 any other transaction incidental to the business of the financial
17 institution or which will provide a benefit to the financial
18 institution's customers or the general public, may be conducted. Any
19 automatic teller machine owned by a nonfinancial institution third party
20 shall be sponsored by an establishing financial institution. Neither such
21 automatic teller machines nor the transactions conducted thereat shall be
22 construed as the establishment of a branch or as branch banking.

23 (2) Any financial institution may become a user financial
24 institution by agreeing to pay the establishing financial institution the
25 automatic teller machine usage fee. Such agreement shall be implied by
26 the use of such automatic teller machines.

27 (3)(a)(i) All automatic teller machines shall be made available on a
28 nondiscriminating basis for use by Nebraska customers of a user financial
29 institution and (ii) all Nebraska automatic teller machine transactions
30 initiated by Nebraska customers of a user financial institution shall be
31 made on a nondiscriminating basis.

1 (b) It shall not be deemed discrimination if (i) an automatic teller
2 machine does not offer the same transaction services as other automatic
3 teller machines, (ii) there are no automatic teller machine usage fees
4 charged between affiliate financial institutions for the use of automatic
5 teller machines, (iii) the automatic teller machine usage fees of an
6 establishing financial institution that authorizes and directly or
7 indirectly routes Nebraska automatic teller machine transactions to
8 multiple switches, all of which comply with the requirements of
9 subdivision (3)(d) of this section, differ solely based upon the fees
10 established by the switches, (iv) automatic teller machine usage fees
11 differ based upon whether the transaction initiated at an automatic
12 teller machine is subject to a surcharge or provided on a surcharge-free
13 basis, or (v) the automatic teller machines established or sponsored by
14 an establishing financial institution are made available for use by
15 Nebraska customers of any user financial institution which agrees to pay
16 the automatic teller machine usage fee and which conforms to the
17 operating rules and technical standards established by the switch to
18 which a Nebraska automatic teller machine transaction is directly or
19 indirectly routed.

20 (c) The director, upon notice and after a hearing, may terminate or
21 suspend the use of any automatic teller machine if he or she determines
22 that the automatic teller machine is not made available on a
23 nondiscriminating basis or that Nebraska automatic teller machine
24 transactions initiated at such automatic teller machine are not made on a
25 nondiscriminating basis.

26 (d) A switch (i) shall provide to all financial institutions that
27 have a main office or approved branch located in the State of Nebraska
28 and that conform to the operating rules and technical standards
29 established by the switch an equal opportunity to participate in the
30 switch for the use of and access thereto; (ii) shall be capable of
31 operating to accept and route Nebraska automatic teller machine

1 transactions, whether receiving data from an automatic teller machine, an
2 establishing financial institution, or a data processing center; and
3 (iii) shall be capable of being directly or indirectly connected to every
4 data processing center for any automatic teller machine.

5 (e) The director, upon notice and after a hearing, may terminate or
6 suspend the operation of any switch with respect to all Nebraska
7 automatic teller machine transactions if he or she determines that the
8 switch is not being operated in the manner required under subdivision (3)
9 (d) of this section.

10 (f) Subject to the requirement for a financial institution to comply
11 with this subsection, no user financial institution or establishing
12 financial institution shall be required to become a member of any
13 particular switch.

14 (4) Any consumer initiating an electronic funds transfer at an
15 automatic teller machine for which an automatic teller machine surcharge
16 will be imposed shall receive notice in accordance with the provisions of
17 15 U.S.C. 1693b(d)(3)(A) and (B), as such section existed on January 1,
18 2023 ~~2022~~. Such notice shall appear on the screen of the automatic teller
19 machine or appear on a paper notice issued from such machine after the
20 transaction is initiated and before the consumer is irrevocably committed
21 to completing the transaction.

22 (5) A point-of-sale terminal may be established at any point within
23 this state by a financial institution, a group of two or more financial
24 institutions, or a combination of a financial institution or financial
25 institutions and a third party or parties. Such parties may contract with
26 a seller of goods and services or any other third party for the operation
27 of point-of-sale terminals.

28 (6) A seller of goods and services or any other third party on whose
29 premises one or more point-of-sale terminals are established shall not
30 be, solely by virtue of such establishment, a financial institution and
31 shall not be subject to the laws governing, or other requirements imposed

1 on, financial institutions, except for the requirement that it faithfully
2 perform its obligations in connection with any transaction originated at
3 any point-of-sale terminal on its premises.

4 (7) Nothing in this section shall be construed to prohibit nonbank
5 employees from assisting in transactions originated at automatic teller
6 machines or point-of-sale terminals, and such assistance shall not be
7 deemed to be engaging in the business of banking.

8 (8)(a) Annually by September 1, any entity operating as a switch in
9 Nebraska shall file a notice with the department setting forth its name,
10 address, and contact information for an officer authorized to answer
11 inquiries related to its operations in Nebraska.

12 (b) Any entity intending to operate in Nebraska as a switch shall
13 file a notice with the department setting forth its name, address, and
14 contact information for an officer authorized to answer inquiries related
15 to its operations in Nebraska. Such notice shall be filed at least thirty
16 days prior to the date on which the switch commences operations, and
17 thereafter annually by September 1.

18 (9) Nothing in this section prohibits ordinary clearinghouse
19 transactions between financial institutions.

20 (10) Nothing in this section shall prevent any financial institution
21 which has a main chartered office or an approved branch located in the
22 State of Nebraska from participating in a national automatic teller
23 machine program to allow its customers to use automatic teller machines
24 located outside of the State of Nebraska which are established by out-of-
25 state financial institutions or foreign financial institutions or to
26 allow customers of out-of-state financial institutions or foreign
27 financial institutions to use its automatic teller machines. Such
28 participation and any automatic teller machine usage fees charged or
29 received pursuant to the national automatic teller machine program or
30 usage fees charged for the use of its automatic teller machines by
31 customers of out-of-state financial institutions or foreign financial

1 institutions shall not be considered for purposes of determining (a) if
2 an automatic teller machine has been made available or Nebraska automatic
3 teller machine transactions have been made on a nondiscriminating basis
4 for use by Nebraska customers of a user financial institution or (b) if a
5 switch complies with subdivision (3)(d) of this section.

6 (11) An agreement to operate or share an automatic teller machine
7 may not prohibit, limit, or restrict the right of the operator or owner
8 of the automatic teller machine to charge a customer conducting a
9 transaction using an account from a foreign financial institution an
10 access fee or surcharge not otherwise prohibited under state or federal
11 law.

12 (12) Switch fees shall not be subject to this section or be
13 regulated by the department.

14 (13) Nothing in this section shall prevent a group of two or more
15 credit unions, each of which has a main chartered office or an approved
16 branch located in the State of Nebraska, from participating in a credit
17 union service organization organized on or before January 1, 2015, for
18 the purpose of owning automatic teller machines, provided that all
19 participating credit unions have an ownership interest in the credit
20 union service organization and that the credit union service organization
21 has an ownership interest in each of the participating credit unions'
22 automatic teller machines. Such participation and any automatic teller
23 machine usage fees associated with Nebraska automatic teller machine
24 transactions initiated by customers of participating credit unions at
25 such automatic teller machines shall not be considered for purposes of
26 determining if such automatic teller machines have been made available on
27 a nondiscriminating basis or if Nebraska automatic teller machine
28 transactions initiated at such automatic teller machines have been made
29 on a nondiscriminating basis, provided that all Nebraska automatic teller
30 machine transactions initiated by customers of participating credit
31 unions result in the same automatic teller machine usage fees for

1 essentially the same service routed over the same switch.

2 (14) Nebraska automatic teller machine usage fees and any agreements
3 relating to Nebraska automatic teller machine usage fees shall comply
4 with subsection (3) of this section.

5 (15) For purposes of this section:

6 (a) Access means the ability to utilize an automatic teller machine
7 or a point-of-sale terminal to conduct permitted banking transactions or
8 purchase goods and services electronically;

9 (b) Account means a checking account, a savings account, a share
10 account, or any other customer asset account held by a financial
11 institution. Such an account may also include a line of credit which a
12 financial institution has agreed to extend to its customer;

13 (c) Affiliate financial institution means any financial institution
14 which is a subsidiary of the same bank holding company;

15 (d) Automatic teller machine usage fee means any per transaction fee
16 established by a switch or otherwise established on behalf of an
17 establishing financial institution and collected from the user financial
18 institution and paid to the establishing financial institution for the
19 use of the automatic teller machine. An automatic teller machine usage
20 fee shall not include switch fees;

21 (e) Electronic funds transfer means any transfer of funds, other
22 than a transaction originated by check, draft, or similar paper
23 instrument, that is initiated through a point-of-sale terminal, an
24 automatic teller machine, or a personal terminal for the purpose of
25 ordering, instructing, or authorizing a financial institution to debit or
26 credit an account;

27 (f) Essentially the same service means the same Nebraska automatic
28 teller machine transaction offered by an establishing financial
29 institution irrespective of the user financial institution, the Nebraska
30 customer of which initiates the Nebraska automatic teller machine
31 transaction. A Nebraska automatic teller machine transaction that is

1 subject to a surcharge is not essentially the same service as the same
2 banking transaction for which a surcharge is not imposed;

3 (g) Establishing financial institution means any financial
4 institution which has a main chartered office or approved branch located
5 in the State of Nebraska that establishes or sponsors an automatic teller
6 machine or any out-of-state financial institution that establishes or
7 sponsors an automatic teller machine;

8 (h) Financial institution means a bank, savings bank, building and
9 loan association, savings and loan association, or credit union, whether
10 chartered by the department, the United States, or a foreign state
11 agency; any other similar organization which is covered by federal
12 deposit insurance; or a subsidiary of any such entity;

13 (i) Foreign financial institution means a financial institution
14 located outside the United States;

15 (j) Nebraska automatic teller machine transaction means a banking
16 transaction as defined in subsection (1) of this section which is (i)
17 initiated at an automatic teller machine established in whole or in part
18 or sponsored by an establishing financial institution, (ii) for an
19 account of a Nebraska customer of a user financial institution, and (iii)
20 processed through a switch regardless of whether it is routed directly or
21 indirectly from an automatic teller machine;

22 (k) Personal terminal means a personal computer and telephone,
23 wherever located, operated by a customer of a financial institution for
24 the purpose of initiating a transaction affecting an account of the
25 customer;

26 (l) Sponsoring an automatic teller machine means the acceptance of
27 responsibility by an establishing financial institution for compliance
28 with all provisions of law governing automatic teller machines and
29 Nebraska automatic teller machine transactions in connection with an
30 automatic teller machine owned by a nonfinancial institution third party;

31 (m) Switch fee means a fee established by a switch and assessed to a

1 user financial institution or to an establishing financial institution
2 other than an automatic teller machine usage fee; and

3 (n) User financial institution means any financial institution which
4 has a main chartered office or approved branch located in the State of
5 Nebraska which avails itself of and provides its customers with automatic
6 teller machine services.

7 Sec. 8. Section 8-183.04, Reissue Revised Statutes of Nebraska, is
8 amended to read:

9 8-183.04 (1) Notwithstanding any other provision of the Nebraska
10 Banking Act or any other Nebraska law, a state or federal savings
11 association which was formed and in operation as a mutual savings
12 association as of July 15, 1998, may elect to retain its mutual form of
13 corporate organization upon conversion to a state bank.

14 (2) All references to shareholders or stockholders for state banks
15 shall be deemed to be references to members for such a converted savings
16 association.

17 (3) The amount and type of capital required for such a converted
18 savings association shall be as required for federal mutual savings
19 associations in 12 C.F.R. 5.21, as such regulation existed on January 1,
20 2023 ~~2022~~, except that if at any time the department determines that the
21 capital of such a converted savings association is impaired, the director
22 may require the members to make up the capital impairment.

23 (4) The director may adopt and promulgate rules and regulations
24 governing such converted mutual savings associations. In adopting and
25 promulgating such rules and regulations, the director may consider the
26 provisions of sections 8-301 to 8-384 governing savings associations in
27 mutual form of corporate organization.

28 Sec. 9. Section 8-1,140, Reissue Revised Statutes of Nebraska, is
29 amended to read:

30 8-1,140 Notwithstanding any of the other provisions of the Nebraska
31 Banking Act or any other Nebraska statute, any bank incorporated under

1 the laws of this state and organized under the provisions of the act, or
2 under the laws of this state as they existed prior to May 9, 1933, shall
3 directly, or indirectly through a department, a subsidiary, or
4 subsidiaries, have all the rights, powers, privileges, benefits, and
5 immunities which may be exercised as of January 1, 2023 ~~2022~~, by a
6 federally chartered bank doing business in Nebraska, including the
7 exercise of all powers and activities that are permitted for a financial
8 subsidiary of a federally chartered bank. Such rights, powers,
9 privileges, benefits, and immunities shall not relieve such bank from
10 payment of state taxes assessed under any applicable laws of this state.

11 Sec. 10. Section 8-318, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 8-318 (1)(a) Shares of stock in any association, or in any federal
14 savings and loan association incorporated under the provisions of the
15 federal Home Owners' Loan Act, with its principal office and place of
16 business in this state, may be subscribed for, held, transferred,
17 surrendered, withdrawn, and forfeited and payments thereon received and
18 receipted for by any person, regardless of age, in the same manner and
19 with the same binding effect as though such person were of the age of
20 majority, except that a minor or his or her estate shall not be bound on
21 his or her subscription to stock except to the extent of payments
22 actually made thereon.

23 (b) Whenever a share account is accepted by any building and loan
24 association in the name of any person, regardless of age, the deposit may
25 be withdrawn by the shareholder by any of the following methods:

26 (i) Check or other instrument in writing. The check or other
27 instrument in writing constitutes a receipt or acquittance if the check
28 or other instrument in writing is signed by the shareholder and
29 constitutes a valid release in discharge to the building and loan
30 association for all payments so made; or

31 (ii) Electronic means through:

- 1 (A) Preauthorized direct withdrawal;
- 2 (B) An automatic teller machine;
- 3 (C) A debit card;
- 4 (D) A transfer by telephone;
- 5 (E) A network, including the Internet; or
- 6 (F) Any electronic terminal, computer, magnetic tape, or other
7 electronic means.

8 (c) This section shall not be construed to affect the rights,
9 liabilities, or responsibilities of participants in an electronic fund
10 transfer under the federal Electronic Fund Transfer Act, 15 U.S.C. 1693
11 et seq., as it existed on January 1, ~~2023~~ 2022, and shall not affect the
12 legal relationships between a minor and any person other than the
13 building and loan association.

14 (2) All trustees, guardians, personal representatives,
15 administrators, and conservators appointed by the courts of this state
16 may invest and reinvest in, acquire, make withdrawals in whole or in
17 part, hold, transfer, or make new or additional investments in or
18 transfers of shares of stock in any (a) building and loan association
19 organized under the laws of the State of Nebraska or (b) federal savings
20 and loan association incorporated under the provisions of the federal
21 Home Owners' Loan Act, having its principal office and place of business
22 in this state, without an order of approval from any court.

23 (3) Trustees created solely by the terms of a trust instrument may
24 invest in, acquire, hold, and transfer such shares, and make withdrawals,
25 in whole or in part, therefrom, without any order of court, unless
26 expressly limited, restricted, or prohibited therefrom by the terms of
27 such trust instrument.

28 (4) All building and loan associations referred to in this section
29 are qualified to act as trustee or custodian within the provisions of the
30 federal Self-Employed Individuals Tax Retirement Act of 1962, as amended,
31 or under the terms and provisions of section 408(a) of the Internal

1 Revenue Code, if the provisions of such retirement plan require the funds
2 of such trust or custodianship to be invested exclusively in shares or
3 accounts in the association or in other associations. If any such
4 retirement plan, within the judgment of the association, constitutes a
5 qualified plan under the federal Self-Employed Individuals Tax Retirement
6 Act of 1962, or under the terms and provisions of section 408(a) of the
7 Internal Revenue Code, and the regulations promulgated thereunder at the
8 time the trust was established and accepted by the association, is
9 subsequently determined not to be such a qualified plan or subsequently
10 ceases to be such a qualified plan, in whole or in part, the association
11 may continue to act as trustee of any deposits theretofore made under
12 such plan and to dispose of the same in accordance with the directions of
13 the member and beneficiaries thereof. No association, in respect to
14 savings made under this section, shall be required to segregate such
15 savings from other assets of the association. The association shall keep
16 appropriate records showing in proper detail all transactions engaged in
17 under the authority of this section.

18 Sec. 11. Section 8-355, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 8-355 Notwithstanding any of the provisions of Chapter 8, article 3,
21 or any other Nebraska statute, except as provided in section 8-345.02,
22 any association incorporated under the laws of the State of Nebraska and
23 organized under the provisions of such article shall have all the rights,
24 powers, privileges, benefits, and immunities which may be exercised as of
25 January 1, 2023 ~~2022~~, by a federal savings and loan association doing
26 business in Nebraska. Such rights, powers, privileges, benefits, and
27 immunities shall not relieve such association from payment of state taxes
28 assessed under any applicable laws of this state.

29 Sec. 12. Section 8-602, Reissue Revised Statutes of Nebraska, is
30 amended to read:

31 8-602 The Director of Banking and Finance shall charge and collect

1 fees for certain services rendered by the Department of Banking and
2 Finance according to the following schedule:

3 (1) For filing and examining articles of incorporation, articles of
4 association, and bylaws, except credit unions, one hundred dollars, and
5 for credit unions, fifty dollars;

6 (2) For filing and examining an amendment to articles of
7 incorporation, articles of association, and bylaws, except credit unions,
8 fifty dollars, and for credit unions, fifteen dollars;

9 (3) For issuing to banks, credit card banks, trust companies, and
10 building and loan associations a charter, authority, or license to do
11 business in this state, a sum which shall be determined on the basis of
12 one dollar and fifty cents for each one thousand dollars of authorized
13 capital, except that the minimum fee in each case shall be two hundred
14 twenty-five dollars;

15 (4) For issuing to digital asset depositories under the Nebraska
16 Financial Innovation Act a charter, ~~an authority, or a license~~ to do
17 business in this state, the sum of fifty thousand dollars;

18 (5) For issuing an executive officer's or loan officer's license,
19 fifty dollars at the time of the initial license, except credit unions
20 for which the fee shall be twenty-five dollars at the time of the initial
21 license;

22 (6) For affixing certificate and seal, five dollars;

23 (7) For making substitution of securities held by it and issuing a
24 receipt, fifteen dollars;

25 (8) For issuing a certificate of approval to a credit union, ten
26 dollars;

27 (9) For investigating the applications required by sections 8-117,
28 8-120, 8-331, and 8-2402 and the documents required by section 8-201, the
29 cost of such examination, investigation, and inspection, including all
30 legal expenses and the cost of any hearing transcript, with a minimum fee
31 under (a) sections 8-117, 8-120, and 8-2402 of two thousand five hundred

1 dollars, (b) section 8-331 of two thousand dollars, and (c) section 8-201
2 of one thousand dollars. The department may require the applicant to
3 procure and give a surety bond in such principal amount as the department
4 may determine and conditioned for the payment of the fees provided in
5 this subdivision;

6 (10) For the handling of pledged securities as provided in sections
7 8-210, ~~and 8-2727,~~ and 8-3022 at the time of the initial deposit of such
8 securities, one dollar and fifty cents for each thousand dollars of
9 securities deposited and a like amount on or before January 15 each year
10 thereafter. The fees shall be paid by the entity pledging the securities;

11 (11) For investigating an application to move its location within
12 the city or village limits of its original license or charter for banks,
13 trust companies, and building and loan associations, two hundred fifty
14 dollars;

15 (12) For investigating an application under subdivision (6) of
16 section 8-115.01, five hundred dollars;

17 (13) For investigating an application for approval to establish or
18 acquire a branch pursuant to section 8-157 or 8-2103 or to establish a
19 mobile branch pursuant to section 8-157, two hundred fifty dollars;

20 (14) For investigating a notice of acquisition of control under
21 subsection (1) of section 8-1502, five hundred dollars;

22 (15) For investigating an application for a cross-industry merger
23 under section 8-1510, five hundred dollars;

24 (16) For investigating an application for a merger of two state
25 banks, a merger of a state bank and a national bank in which the state
26 bank is the surviving entity, or an interstate merger application in
27 which the Nebraska state chartered bank is the resulting bank, five
28 hundred dollars;

29 (17) For investigating an application or a notice to establish a
30 branch trust office, five hundred dollars;

31 (18) For investigating an application or a notice to establish a

1 representative trust office, five hundred dollars;

2 (19) For investigating an application to establish a credit union
3 branch under section 21-1725.01, two hundred fifty dollars;

4 (20) For investigating an applicant under section 8-1513, five
5 thousand dollars;

6 (21) For investigating a request to extend a conditional bank
7 charter under section 8-117, one thousand dollars; and

8 (22) For investigating an application to establish a branch office,
9 for a merger or an acquisition of control, or for a request to extend a
10 conditional charter for a digital asset depository, five hundred dollars.

11 Sec. 13. Section 8-1101, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 8-1101 For purposes of the Securities Act of Nebraska, unless the
14 context otherwise requires:

15 (1) Agent means any individual other than a broker-dealer who
16 represents a broker-dealer or issuer in effecting or attempting to effect
17 sales of securities, but agent does not include an individual who
18 represents (a) an issuer in (i) effecting a transaction in a security
19 exempted by subdivision (6), (7), or (8) of section 8-1110, (ii)
20 effecting certain transactions exempted by section 8-1111, (iii)
21 effecting transactions in a federal covered security as described in
22 section 18(b)(3) of the Securities Act of 1933, or (iv) effecting
23 transactions with existing employees, limited liability company members,
24 partners, or directors of the issuer or any of its subsidiaries if no
25 commission or other remuneration is paid or given directly or indirectly
26 for soliciting any person in this state or (b) a broker-dealer in
27 effecting transactions described in section 15(h)(2) of the Securities
28 Exchange Act of 1934. A partner, limited liability company member,
29 officer, or director of a broker-dealer is an agent only if he or she
30 otherwise comes within this definition;

31 (2) Broker-dealer means any person engaged in the business of

1 effecting transactions in securities for the account of others or for his
2 or her own account. Broker-dealer does not include (a) an issuer-dealer,
3 agent, bank, savings institution, or trust company, (b) an issuer
4 effecting a transaction in its own security exempted by subdivision (5)
5 (a), (b), (c), (d), (e), or (f) of section 8-1110 or which qualifies as a
6 federal covered security pursuant to section 18(b)(1) of the Securities
7 Act of 1933, (c) a person who has no place of business in this state if
8 he or she effects transactions in this state exclusively with or through
9 the issuers of the securities involved in the transactions, other broker-
10 dealers, or banks, savings institutions, credit unions, trust companies,
11 insurance companies, investment companies as defined in the Investment
12 Company Act of 1940, pension or profit-sharing trusts, or other financial
13 institutions or institutional buyers, whether acting for themselves or as
14 trustees, (d) a person who has no place of business in this state if
15 during any period of twelve consecutive months he or she does not direct
16 more than five offers to sell or to buy into this state in any manner to
17 persons other than those specified in subdivision (2)(c) of this section,
18 or (e) a person who is a resident of Canada and who has no office or
19 other physical presence in Nebraska if the following conditions are
20 satisfied: (i) The person must be registered with, or be a member of, a
21 securities self-regulatory organization in Canada or a stock exchange in
22 Canada; (ii) the person must maintain, in good standing, its provisional
23 or territorial registration or membership in a securities self-regulatory
24 organization in Canada, or stock exchange in Canada; (iii) the person
25 effects, or attempts to effect, (A) a transaction with or for a Canadian
26 client who is temporarily present in this state and with whom the
27 Canadian broker-dealer had a bona fide customer relationship before the
28 client entered this state or (B) a transaction with or for a Canadian
29 client in a self-directed tax advantaged retirement plan in Canada of
30 which that client is the holder or contributor; and (iv) the person
31 complies with all provisions of the Securities Act of Nebraska relating

1 to the disclosure of material information in connection with the
2 transaction;

3 (3) Department means the Department of Banking and Finance. Director
4 means the Director of Banking and Finance of the State of Nebraska except
5 as further provided in section 8-1120;

6 (4) Federal covered adviser means a person who is registered under
7 section 203 of the Investment Advisers Act of 1940;

8 (5) Federal covered security means any security described as a
9 covered security under section 18(b) of the Securities Act of 1933 or
10 rules and regulations under the act;

11 (6) Guaranteed means guaranteed as to payment of principal,
12 interest, or dividends;

13 (7) Investment adviser means any person who for compensation engages
14 in the business of advising others, either directly or through
15 publications or writings, as to the value of securities or as to the
16 advisability of investing in, purchasing, or selling securities or who
17 for compensation and as a part of a regular business issues or
18 promulgates analyses or reports concerning securities. Investment adviser
19 also includes financial planners and other persons who, as an integral
20 component of other financially related services, provide the foregoing
21 investment advisory services to others for compensation and as part of a
22 business or who hold themselves out as providing the foregoing investment
23 advisory services to others for compensation. Investment adviser does not
24 include (a) an investment adviser representative, (b) a bank, savings
25 institution, or trust company, (c) a lawyer, accountant, engineer, or
26 teacher whose performance of these services is solely incidental to the
27 practice of his or her profession, (d) a broker-dealer or its agent whose
28 performance of these services is solely incidental to its business as a
29 broker-dealer and who receives no special compensation for them, (e) an
30 issuer-dealer, (f) a publisher of any bona fide newspaper, news column,
31 newsletter, news magazine, or business or financial publication or

1 service, whether communicated in hard copy form, by electronic means, or
2 otherwise which does not consist of the rendering of advice on the basis
3 of the specific investment situation of each client, (g) a person who has
4 no place of business in this state if (i) his or her only clients in this
5 state are other investment advisers, federal covered advisers, broker-
6 dealers, banks, savings institutions, credit unions, trust companies,
7 insurance companies, investment companies as defined in the Investment
8 Company Act of 1940, pension or profit-sharing trusts, or other financial
9 institutions or institutional buyers, whether acting for themselves or as
10 trustees, or (ii) during the preceding twelve-month period, he or she has
11 had five or fewer clients who are residents of this state other than
12 those persons specified in subdivision (g)(i) of this subdivision, (h)
13 any person that is a federal covered adviser or is excluded from the
14 definition of investment adviser under section 202 of the Investment
15 Adviser Act of 1940, or (i) such other persons not within the intent of
16 this subdivision as the director may by rule and regulation or order
17 designate;

18 (8) Investment adviser representative means any partner, limited
19 liability company member, officer, or director or any person occupying a
20 similar status or performing similar functions of a partner, limited
21 liability company member, officer, or director or other individual,
22 except clerical or ministerial personnel, who is employed by or
23 associated with an investment adviser that is registered or required to
24 be registered under the Securities Act of Nebraska or who has a place of
25 business located in this state and is employed by or associated with a
26 federal covered adviser, and who (a) makes any recommendations or
27 otherwise renders advice regarding securities, (b) manages accounts or
28 portfolios of clients, (c) determines which recommendation or advice
29 regarding securities should be given, (d) solicits, offers, or negotiates
30 for the sale of or sells investment advisory services, or (e) supervises
31 employees who perform any of the foregoing;

1 (9) Issuer means any person who issues or proposes to issue any
2 security, except that (a) with respect to certificates of deposit,
3 voting-trust certificates, or collateral-trust certificates or with
4 respect to certificates of interest or shares in an unincorporated
5 investment trust not having a board of directors, or persons performing
6 similar functions, or of the fixed, restricted management, or unit type,
7 the term issuer means the person or persons performing the acts and
8 assuming the duties of depositor or manager pursuant to the provisions of
9 the trust or other agreement or instrument under which the security is
10 issued and (b) with respect to a fractional or pooled interest in a
11 viatical settlement contract, issuer means the person who creates, for
12 the purpose of sale, the fractional or pooled interest. In the case of a
13 viatical settlement contract that is not fractionalized or pooled, issuer
14 means the person effecting a transaction with a purchaser of such
15 contract;

16 (10) Issuer-dealer means (a) any issuer located in the State of
17 Nebraska or (b) any issuer which registered its securities by
18 qualification who proposes to sell to the public of the State of Nebraska
19 the securities that it issues without the benefit of another registered
20 broker-dealer. Such securities shall have been approved for sale in the
21 State of Nebraska pursuant to section 8-1104;

22 (11) Nonissuer means not directly or indirectly for the benefit of
23 the issuer;

24 (12) Person means an individual, a corporation, a partnership, a
25 limited liability company, an association, a joint-stock company, a trust
26 in which the interests of the beneficiaries are evidenced by a security,
27 an unincorporated organization, a government, or a political subdivision
28 of a government;

29 (13) Sale or sell includes every contract of sale of, contract to
30 sell, or disposition of a security or interest in a security for value.
31 Offer or offer to sell includes every attempt or offer to dispose of, or

1 solicitation of an offer to buy, a security or interest in a security for
2 value. Any security given or delivered with or as a bonus on account of
3 any purchase of securities or any other thing is considered to constitute
4 part of the subject of the purchase and to have been offered and sold for
5 value. A purported gift of assessable stock shall be considered to
6 involve an offer and sale. Every sale or offer of a warrant or right to
7 purchase or subscribe to another security of the same or another issuer,
8 as well as every sale or offer of a security which gives the holder a
9 present or future right or privilege to convert into another security of
10 the same or another issuer, shall be considered to include an offer of
11 the other security;

12 (14) Securities Act of 1933, Securities Exchange Act of 1934,
13 Investment Advisers Act of 1940, Investment Company Act of 1940,
14 Commodity Exchange Act, and the federal Interstate Land Sales Full
15 Disclosure Act means the acts as they existed on January 1, 2023 ~~2022~~;

16 (15) Security means any note, stock, treasury stock, bond,
17 debenture, units of beneficial interest in a real estate trust, evidence
18 of indebtedness, certificate of interest or participation in any profit-
19 sharing agreement, collateral-trust certificate, preorganization
20 certificate or subscription, transferable share, investment contract,
21 viatical settlement contract or any fractional or pooled interest in such
22 contract, membership interest in any limited liability company organized
23 under Nebraska law or any other jurisdiction unless otherwise excluded
24 from this definition, voting-trust certificate, certificate of deposit
25 for a security, certificate of interest or participation in an oil, gas,
26 or mining title or lease or in payments out of production under such a
27 title or lease, in general any interest or instrument commonly known as a
28 security, or any certificate of interest or participation in, temporary
29 or interim certificate for, guarantee of, or warrant or right to
30 subscribe to or purchase any of the foregoing. Security does not include
31 any insurance or endowment policy or annuity contract issued by an

1 insurance company. Security also does not include a membership interest
2 in a limited liability company when all of the following exist: (a) The
3 member enters into a written commitment to be engaged actively and
4 directly in the management of the limited liability company; and (b) all
5 members of the limited liability company are actively engaged in the
6 management of the limited liability company. For the limited purposes of
7 determining professional malpractice insurance premiums, a security
8 issued through a transaction that is exempted pursuant to subdivision
9 (23) of section 8-1111 shall not be considered a security;

10 (16) State means any state, territory, or possession of the United
11 States as well as the District of Columbia and Puerto Rico; and

12 (17) Viatical settlement contract means an agreement for the
13 purchase, sale, assignment, transfer, devise, or bequest of all or any
14 portion of the death benefit or ownership of a life insurance policy or
15 contract for consideration which is less than the expected death benefit
16 of the life insurance policy or contract. Viatical settlement contract
17 does not include (a) the assignment, transfer, sale, devise, or bequest
18 of a death benefit of a life insurance policy or contract made by the
19 viator to an insurance company or to a viatical settlement provider or
20 broker licensed pursuant to the Viatical Settlements Act, (b) the
21 assignment of a life insurance policy or contract to a bank, savings
22 bank, savings and loan association, credit union, or other licensed
23 lending institution as collateral for a loan, or (c) the exercise of
24 accelerated benefits pursuant to the terms of a life insurance policy or
25 contract and consistent with applicable law.

26 Sec. 14. Section 8-1101.01, Reissue Revised Statutes of Nebraska, is
27 amended to read:

28 8-1101.01 For purposes of the Securities Act of Nebraska:

29 (1) Federal rules and regulations adopted under the Investment
30 Advisors Act of 1940 or the Securities Act of 1933 means such rules and
31 regulations as they existed on January 1, 2023 ~~2022~~; and

1 (2) Fair practice or ethical rules or standards promulgated by the
2 Securities and Exchange Commission, the Financial Industry Regulatory
3 Authority, or a self-regulatory organization approved by the Securities
4 and Exchange Commission means such practice, rules, or standards as they
5 existed on January 1, 2023 ~~2022~~.

6 Sec. 15. Section 8-1704, Reissue Revised Statutes of Nebraska, is
7 amended to read:

8 8-1704 CFTC rule shall mean any rule, regulation, or order of the
9 Commodity Futures Trading Commission in effect on January 1, 2023 ~~2022~~.

10 Sec. 16. Section 8-1707, Reissue Revised Statutes of Nebraska, is
11 amended to read:

12 8-1707 Commodity Exchange Act shall mean the act of Congress known
13 as the Commodity Exchange Act, 7 U.S.C. 1, as amended on January 1, 2023
14 ~~2022~~.

15 Sec. 17. Section 8-2724, Reissue Revised Statutes of Nebraska, is
16 amended to read:

17 8-2724 (1) The requirement for a license under the Nebraska Money
18 Transmitters Act does not apply to:

19 (a) The United States or any department, agency, or instrumentality
20 thereof;

21 (b) Any post office of the United States Postal Service;

22 (c) A state or any political subdivision thereof;

23 (d)(i) Banks, credit unions, digital asset depository institutions
24 as defined in section 8-3003, building and loan associations, savings and
25 loan associations, savings banks, or mutual banks organized under the
26 laws of any state or the United States;

27 (ii) Subsidiaries of the institutions listed in subdivision (d)(i)
28 of this subsection;

29 (iii) Bank holding companies which have a banking subsidiary located
30 in Nebraska and whose debt securities have an investment grade rating by
31 a national rating agency; or

1 (iv) Authorized delegates of the institutions and entities listed in
2 subdivision (d)(i), (ii), or (iii) of this subsection, except that
3 authorized delegates that are not banks, credit unions, building and loan
4 associations, savings and loan associations, savings banks, mutual banks,
5 subsidiaries of any of the foregoing, or bank holding companies shall
6 comply with all requirements imposed upon authorized delegates under the
7 act;

8 (e) The provision of electronic transfer of government benefits for
9 any federal, state, or county governmental agency, as defined in Consumer
10 Financial Protection Bureau Regulation E, 12 C.F.R. part 1005, as such
11 regulation existed on January 1, 2023 ~~2022~~, by a contractor for and on
12 behalf of the United States or any department, agency, or instrumentality
13 thereof or any state or any political subdivision thereof;

14 (f) An operator of a payment system only to the extent that the
15 payment system provides processing, clearing, or settlement services
16 between or among persons who are all exempt under this section in
17 connection with wire transfers, credit card transactions, debit card
18 transactions, automated clearinghouse transfers, or similar fund
19 transfers; or

20 (g) A person, firm, corporation, or association licensed in this
21 state and acting within this state within the scope of a license:

22 (i) As a collection agency pursuant to the Collection Agency Act;

23 (ii) As a credit services organization pursuant to the Credit
24 Services Organization Act; or

25 (iii) To engage in the debt management business pursuant to sections
26 69-1201 to 69-1217.

27 (2) An authorized delegate of a licensee or of an exempt entity,
28 acting within the scope of its authority conferred by a written contract
29 as described in section 8-2739, is not required to obtain a license under
30 the Nebraska Money Transmitters Act, except that such an authorized
31 delegate shall comply with the other provisions of the act which apply to

1 money transmission transactions.

2 Sec. 18. Section 8-2903, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 8-2903 (1) When a financial institution, or an employee of a
5 financial institution, reasonably believes, or has received information
6 from the department or a law enforcement agency demonstrating that it is
7 reasonable to believe, that financial exploitation of a vulnerable adult
8 or senior adult may have occurred, may have been attempted, is occurring,
9 or is being attempted, the financial institution may, but is not required
10 to:

11 (a) Delay or refuse a transaction with or involving the vulnerable
12 adult or senior adult;

13 (b) Delay or refuse to permit the withdrawal or disbursement of
14 funds contained in the vulnerable adult's or senior adult's account;

15 (c) Prevent a change in ownership of the vulnerable adult's or
16 senior adult's account;

17 (d) Prevent a transfer of funds from the vulnerable adult's or
18 senior adult's account to an account owned wholly or partially by another
19 person;

20 (e) Refuse to comply with instructions given to the financial
21 institution by an agent or a person acting for or with an agent under a
22 power of attorney signed or purported to have been signed by the
23 vulnerable adult or senior adult; or

24 (f) Prevent the designation or change the designation of
25 beneficiaries to receive any property, benefit, or contract rights for a
26 vulnerable adult or senior adult at death.

27 (2) A financial institution is not required to act under subsection
28 (1) of this section when provided with information alleging that
29 financial exploitation may have occurred, may have been attempted, is
30 occurring, or is being attempted, but may use the financial institution's
31 discretion to determine whether or not to act under subsection (1) of

1 this section based on the information available to the financial
2 institution at the time.

3 (3)(a)(i) A financial institution may notify any third party
4 reasonably associated with a vulnerable adult or senior adult if the
5 financial institution reasonably believes that the financial exploitation
6 of a vulnerable adult or senior adult may have occurred, may have been
7 attempted, is occurring, or is being attempted.

8 (ii) A third party reasonably associated with a vulnerable adult or
9 senior adult includes, but is not limited to, the following: (A) A
10 parent, spouse, adult child, sibling, or other known family member or
11 close associate of a vulnerable adult or senior adult; (B) an authorized
12 contact provided by a vulnerable adult or senior adult to the financial
13 institution; (C) a co-owner, additional authorized signatory, or
14 beneficiary on a vulnerable adult's or a senior adult's account; (D) an
15 attorney in fact, trustee, conservator, guardian, or other fiduciary who
16 has been selected by a vulnerable adult or senior adult, a court, or a
17 third party to manage some or all of the financial affairs of the
18 vulnerable adult or senior adult; and (E) an attorney known to represent
19 or have represented the vulnerable adult or senior adult.

20 (b) A financial institution may choose not to notify any third party
21 reasonably associated with a vulnerable adult or senior adult of
22 suspected financial exploitation of the vulnerable adult or senior adult
23 if the financial institution reasonably believes the third party is, may
24 be, or may have been engaged in the financial exploitation of the
25 vulnerable adult or senior adult or if requested to refrain from making a
26 notification by a law enforcement agency, if such notification could
27 interfere with a law enforcement investigation.

28 (c) Nothing in this subsection shall prevent a financial institution
29 from notifying the department or a law enforcement agency, if the
30 financial institution reasonably believes that the financial exploitation
31 of a vulnerable adult or senior adult may have occurred, may have been

1 attempted, is occurring, or is being attempted.

2 (4) The authority granted the financial institution under subsection
3 (1) of this section expires upon the sooner of: (a) Thirty business days
4 after the date on which the financial institution first acted under
5 subsection (1) of this section; (b) when the financial institution is
6 satisfied that the transaction or act will not result in financial
7 exploitation of the vulnerable adult or senior adult; or (c) upon
8 termination by an order of a court of competent jurisdiction.

9 (5) Unless otherwise directed by order of a court of competent
10 jurisdiction, a financial institution may extend the duration under
11 subsection (4) of this section based on a reasonable belief that the
12 financial exploitation of a vulnerable adult or senior adult may continue
13 to occur or continue to be attempted.

14 (6) A financial institution and its bank holding company, if any,
15 and any employees, agents, officers, and directors of the financial
16 institution and its bank holding company, if any, shall be immune from
17 any civil, criminal, or administrative liability that may otherwise exist
18 (a) for delaying or refusing to execute a transaction, withdrawal, or
19 disbursement, or for not delaying or refusing to execute such
20 transaction, withdrawal, or disbursement under this section and (b) for
21 actions taken in furtherance of determinations made under subsections (1)
22 through (5) of this section.

23 (7)(a) Notwithstanding any other law to the contrary, the refusal by
24 a financial institution to engage in a transaction as authorized under
25 subsection (1) of this section shall not constitute the wrongful dishonor
26 of an item under section 4-402, Uniform Commercial Code.

27 (b) Notwithstanding any other law to the contrary, a reasonable
28 belief that payment of a check will facilitate the financial exploitation
29 of a vulnerable adult or senior adult shall constitute reasonable grounds
30 to doubt the collectability of the item for purposes of the federal Check
31 Clearing for the 21st Century Act, 12 U.S.C. 5001 et seq., the federal

1 Expedited Funds Availability Act, 12 U.S.C. 4001 et seq., and 12 C.F.R.
2 part 229, as such acts and part existed on January 1, 2023 ~~2022~~.

3 Sec. 19. Section 8-3002, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 8-3002 The Legislature finds and declares that:

6 (1) Economic development initiatives demand buy-in and input from
7 community stakeholders across multiple industries. The Legislature should
8 send a strong message that Nebraska wants to bring high-tech jobs and
9 digital asset operations to our state. Nebraska has an incredible
10 opportunity to be a leader in this emerging technology;

11 (2) Nebraska desires to create an entrepreneurial ecosystem where
12 young talent can be paired with private investors in order to create
13 jobs, enhance our quality of life, and prevent the brain drain that is
14 particularly acute in rural Nebraska. If Nebraska does not make
15 intentional and meaningful changes to how it recruits and retains young
16 people, Nebraska will be left behind;

17 (3) The rapid innovation of blockchain and digital ledger
18 technology, including the growing use of virtual currency, digital
19 assets, and other controllable electronic records has complicated the
20 development of blockchain services and products in the marketplace;

21 (4) Blockchain innovators are able and willing to address banking
22 compliance challenges such as federal customer identification, anti-money
23 laundering, and beneficial ownership requirements to comply with
24 regulators' concerns;

25 (5) Compliance with federal and state laws, including, but not
26 limited to, know-your-customer and anti-money-laundering rules and the
27 federal Bank Secrecy Act, is critical to ensuring the future growth and
28 reputation of the blockchain and technology industries as a whole; and

29 (6) Authorizing digital asset depositories in Nebraska will provide
30 a necessary and valuable service to blockchain innovators and customers,
31 emphasize Nebraska's partnership with the technology and financial

1 industries industry, safely grow this state's ever-evolving financial
2 sector, and afford more opportunities for Nebraska residents.

3 Sec. 20. Section 8-3003, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 8-3003 For purposes of the Nebraska Financial Innovation Act:

6 (1) Blockchain means a distributed digital record of controllable
7 electronic record transactions;

8 (2) Centralized finance means centralized digital asset exchanges,
9 businesses, or organizations with a valid physical address;

10 (3) Control has the following meaning:

11 (a) A person has control of a controllable electronic record if:

12 (i) The following conditions are met:

13 (A) The controllable electronic record or the system in which it is
14 recorded, if any, gives the person:

15 (I) The power to derive substantially all the benefit from the
16 controllable electronic record;

17 (II) Subject to subdivision (b) of this subdivision, the exclusive
18 power to prevent others from deriving substantially all the benefit from
19 the controllable electronic record; and

20 (III) Subject to subdivision (b) of this subdivision, the exclusive
21 power to transfer control of the controllable electronic record to
22 another person or cause another person to obtain control of a
23 controllable electronic record that derives from the controllable
24 electronic record; and

25 (B) The controllable electronic record, a record attached to or
26 logically associated with the controllable electronic record, or the
27 system in which the controllable electronic record is recorded, if any,
28 enables the person to readily identify itself as having the powers
29 specified in subdivision (a)(i) of this subdivision; or

30 (ii) Another person obtains control of the controllable electronic
31 record on behalf of the person, or having previously obtained control of

1 the controllable electronic record, acknowledges that it has control on
2 behalf of the person.

3 (b) A power specified in subdivisions (3)(a)(i)(A)(II) or (III) of
4 this section can be exclusive, even if:

5 (i) The controllable electronic record or the system in which it is
6 recorded, if any, limits the use to which the controllable electronic
7 record may be put or has protocols that are programmed to result in a
8 transfer of control; and

9 (ii) The person has agreed to share the power with another person.

10 (c) For the purposes of subdivision (3)(a)(i)(B) of this section, a
11 person may be identified in any way, including by name, identifying
12 number, cryptographic key, office, or account number;

13 (4) Controllable electronic borrowing means the act of receiving
14 digital assets or the use of digital assets from a lender in exchange for
15 the payment to the lender of digital assets, interest, fees, or rewards;

16 (5) Controllable electronic record means an electronic record that
17 can be subjected to control. The term has the same meaning as digital
18 asset and does not include electronic chattel paper, electronic
19 documents, investment property, and transferable records under the
20 Uniform Electronic Transactions Act;

21 (6) Controllable electronic record exchange means a business that
22 allows customers to purchase, sell, convert, send, receive, or trade
23 digital assets for other digital assets;

24 (7) Controllable electronic record lending means the act of
25 providing digital assets to a borrower in exchange for digital assets,
26 interest, fees, or rewards;

27 (8) Controllable electronic records staking means the act of
28 pledging a digital asset or token with an expectation of gaining digital
29 assets, interest, fees, or other rewards on such act;

30 (9) Customer means a digital asset depositor or digital asset
31 account holder;

1 (10) Decentralized finance means digital asset exchanges,
2 businesses, or organizations operating independently on blockchains;

3 (11) Department means the Department of Banking and Finance;

4 (12) Digital asset depository means a financial institution that
5 securely holds liquid assets when such assets are in the form of
6 controllable electronic records, either as a corporation organized,
7 chartered, and operated pursuant to the Nebraska Financial Innovation Act
8 as a digital asset depository institution or a financial institution
9 operating a digital asset depository business as a digital asset
10 depository department under a charter granted ~~grant of authority~~ by the
11 director;

12 (13) Digital asset depository department means a financial
13 institution operating a digital asset depository business as a digital
14 asset depository department under a charter granted ~~grant of authority~~ by
15 the director;

16 (14) Digital asset depository institution means a corporation
17 operating a digital asset depository business organized and chartered
18 pursuant to the Nebraska Financial Innovation Act;

19 (15) Director means the Director of Banking and Finance;

20 (16) Financial institution means a bank, savings bank, building and
21 loan association, or savings and loan association, ~~whether~~ chartered by
22 the United States, the department, or a foreign state agency; or a trust
23 company;

24 (17) Fork means a change to the protocol of a blockchain network;

25 (18) Independent node verification network means a shared electronic
26 database where copies of the same information are stored on multiple
27 computers; and

28 (19) Stablecoin means a controllable electronic record
29 ~~cryptocurrency~~ designed to have a stable value that is backed by a
30 reserve asset.

31 Sec. 21. Section 8-3004, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 8-3004 The director shall have the power to issue to corporations
3 desiring to transact business as a digital asset depository institution
4 charters ~~of authority~~ to transact digital asset depository business as
5 defined in the Nebraska Financial Innovation Act. The director shall have
6 general supervision and control over such digital asset depositories.

7 Sec. 22. Section 8-3005, Reissue Revised Statutes of Nebraska, is
8 amended to read:

9 8-3005 (1)(a) A digital asset depository may:

10 (i) Make contracts as a corporation under Nebraska law;

11 (ii) Sue and be sued;

12 (iii) Receive notes as permitted by federal law;

13 (iv) Carry on a nonlending digital asset banking business for
14 customers, consistent with subdivision (2)(b) of this section;

15 (v) Provide payment services upon the request of a customer; and

16 (vi) Make an application to become a member bank of the federal
17 reserve system.

18 (b) A digital asset depository shall maintain its main office and
19 the primary office of its chief executive officer in Nebraska.

20 (c) As otherwise authorized by this section, a digital asset
21 depository may conduct business with customers outside this state.

22 (2)(a) A digital asset depository institution, consistent with the
23 Nebraska Financial Innovation Act, shall be organized as a corporation
24 under the Nebraska Model Business Corporation Act to exercise the powers
25 set forth in subsection (1) of this section.

26 (b) A digital asset depository institution shall not accept demand
27 deposits of United States currency or United States currency that may be
28 accessed or withdrawn by check or similar means for payment to third
29 parties and except as otherwise provided in this subsection, a digital
30 asset depository institution shall not make any ~~consumer~~ loans to
31 consumers for personal, property or household purposes, mortgage loans,

1 or commercial loans of any fiat currency including, but not limited to,
2 United States currency, including the provision of temporary credit
3 relating to overdrafts. Notwithstanding this prohibition against fiat
4 currency lending by a digital asset depository institution, a digital
5 asset depository institution may facilitate the provision of digital
6 asset business services resulting from the interaction of customers with
7 centralized finance or decentralized finance platforms including, but not
8 limited to, controllable electronic record exchange, staking,
9 controllable electronic record lending, and controllable electronic
10 record borrowing. A digital asset depository institution may purchase
11 debt obligations specified by subdivision (2)(c) of section 8-3009.

12 (c) ~~A Subject to the laws of the host state,~~ a digital asset
13 depository institution may open a branch in this state or in another
14 state in the manner set forth in section 8-157 or 8-2303. A branch in
15 another state is subject to the laws of the host state. A digital asset
16 depository institution, including any branch of the digital asset
17 depository institution, may only accept digital asset deposits or provide
18 other digital asset business services under the Nebraska Financial
19 Innovation Act to individual customers or a customer that is a legal
20 entity other than a natural person engaged in a bona fide business which
21 is lawful under the laws of Nebraska, the laws of the host state if the
22 entity is headquartered in another state, and federal law.

23 (3) The deposit limitations of subdivision (2)(a)(ii) of section
24 8-157 shall not apply to a digital asset depository.

25 (4) Any United States currency coming into an account established by
26 a customer of a digital asset depository institution shall be held in a
27 financial institution, the deposits of which are insured by the Federal
28 Deposit Insurance Corporation, which maintained a main-chartered office
29 in this state, any branch thereof in this state, or any branch of the
30 financial institution which maintained the main-chartered office in this
31 state prior to becoming a branch of such financial institution.

1 (5) A digital asset depository institution shall establish and
2 maintain programs for compliance with the federal Bank Secrecy Act, in
3 accordance with 12 C.F.R. 208.63, as the act and rule existed on January
4 1, ~~2023~~ 2022.

5 (6) A digital asset depository shall help meet the digital financial
6 needs of the communities in which it operates, consistent with safe and
7 sound operations, and shall maintain and update a public file available
8 to any person on request and on any Internet website or mobile
9 application it maintains containing specific information about its
10 efforts to meet community needs, including:

11 (a) The collection and reporting of data;

12 (b) Its policies and procedures for accepting and responding to
13 consumer complaints; and

14 (c) Its efforts to assist with financial literacy or personal
15 finance programs to increase knowledge and skills of Nebraska students in
16 areas such as digital assets, budgeting, credit, checking and savings
17 accounts, loans, stocks, and insurance.

18 Sec. 23. Section 8-3007, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 8-3007 (1) No customer shall open or maintain an account with a
21 digital asset depository or otherwise receive any services from the
22 digital asset depository unless the customer meets the criteria of this
23 subsection. A customer shall:

24 (a) Make sufficient evidence available to the digital asset
25 depository to enable compliance with anti-money laundering, customer
26 identification, and beneficial ownership requirements, as determined by
27 the federal Bank Secrecy Act guidance and the policies and practices of
28 the institution; and

29 (b) If the customer is a legal entity other than a natural person:

30 (i) Be in good standing with the jurisdiction in the United States
31 in which it is incorporated or organized; and

1 (ii) Be engaged in a business that is lawful and bona fide in
2 Nebraska, in the host state, if applicable, and under federal law
3 consistent with subsection (3) of this section.

4 (2) A customer which meets the criteria of subsection (1) of this
5 section may be issued a digital asset depository account and otherwise
6 receive services from the digital asset depository, contingent on the
7 digital asset depository maintaining availability of sufficient insurance
8 under subsection (5) of section 8-3023.

9 (3) Consistent with subdivisions (1)(a)(iv) and (v) of section
10 8-3005, and in addition to any requirements specified by federal law, a
11 digital asset depository shall require that any potential customer that
12 is a legal entity other than a natural person provide reasonable evidence
13 that the entity is engaged in a business that is lawful and bona fide in
14 Nebraska, in the host state, if applicable, and under federal law or is
15 likely to open a lawful, bona fide business within a federal Bank Secrecy
16 Act compliant timeframe, as the act existed on January 1, 2023 2022. For
17 purposes of this subsection, reasonable evidence includes business entity
18 filings, articles of incorporation or organization, bylaws, operating
19 agreements, business plans, promotional materials, financing agreements,
20 or other evidence.

21 Sec. 24. Section 8-3008, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 8-3008 The terms and conditions of a customer's digital asset
24 depository account at a digital asset depository shall be disclosed at
25 the time the customer contracts for a digital asset business service.
26 Such disclosure shall be full and complete, contain no material
27 misrepresentations, be in readily understandable language, and shall
28 include, as appropriate and to the extent applicable:

29 (1) A schedule of fees and charges the digital asset depository may
30 assess, the manner by which fees and charges will be calculated if they
31 are not set in advance and disclosed, and the timing of the fees and

1 charges;

2 (2) A statement that the customer's digital asset depository account
3 is not protected by the Federal Deposit Insurance Corporation;

4 (3) A statement whether there is support for forked networks of each
5 digital asset;

6 (4) A statement that investment in digital assets is volatile and
7 subject to market loss;

8 (5) A statement that investment in digital assets may result in
9 total loss of value;

10 (6) A statement that legal, legislative, and regulatory changes may
11 impact ~~impair~~ the value of digital assets;

12 (7) A statement that customers should perform research before
13 investing in digital assets;

14 (8) A statement that transfers of digital assets are irrevocable, if
15 applicable;

16 (9) A statement as to how liability for an unauthorized, mistaken,
17 or accidental transfer shall be apportioned;

18 (10) A statement that digital assets are not legal tender in any
19 jurisdiction;

20 (11) A statement that digital assets may be subject to cyber theft
21 or theft and become unrecoverable;

22 (12) A statement about who maintains control, ownership, and access
23 to any private key related to a digital assets customer's digital asset
24 account; and

25 (13) A statement that losing private key information may result in
26 permanent total loss of access to digital assets.

27 Sec. 25. Section 8-3011, Reissue Revised Statutes of Nebraska, is
28 amended to read:

29 8-3011 (1) With respect to all digital asset business activities, a
30 digital asset depository shall display and include in all advertising, in
31 all marketing materials, on any Internet website or mobile application it

1 maintains, and at each window or place where it accepts digital asset
2 deposits, (a) a notice conspicuously stating that digital asset deposits
3 and digital asset accounts are not insured by the Federal Deposit
4 Insurance Corporation, if applicable, and (b) the following conspicuous
5 statement: Holdings of digital assets are speculative and involve a
6 substantial degree of risk, including the risk of complete loss. There is
7 no assurance that any digital asset will be viable, liquid, or solvent.
8 Nothing in this communication is intended to imply that any digital asset
9 held in custody by a digital asset depository is low-risk or risk-free.
10 Digital assets held in custody are not guaranteed by a digital asset
11 depository and are not FDIC insured by the Federal Deposit Insurance
12 Corporation.

13 (2) Upon opening a digital asset depository account, ~~and—if~~
14 ~~applicable~~, a digital asset depository shall require each customer to
15 execute a statement acknowledging that all digital asset deposits at the
16 digital asset depository are not insured by the Federal Deposit Insurance
17 Corporation. The digital asset depository shall permanently retain this
18 acknowledgment, whether in electronic form or as a signature card.

19 Sec. 26. Section 8-3012, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 8-3012 (1) Except as otherwise provided by subsection (5) of this
22 section, five or more adult persons, including at least one Nebraska
23 resident, may form a digital asset depository institution. The
24 incorporators shall subscribe the articles of incorporation and transmit
25 them and the bylaws of the digital asset depository to the director as
26 part of an application for a charter under section 8-3015.

27 (2) The articles of incorporation shall include the following
28 information:

- 29 (a) The corporate name;
- 30 (b) The object for which the corporation is organized;
- 31 (c) The term of its existence, which may be perpetual;

1 (d) The place in Nebraska where its main office shall be physically
2 located and its operations conducted;

3 (e) The amount of capital stock and the number of shares;

4 (f) The name and residence of each shareholder subscribing to more
5 than ten percent of the stock and the number of shares owned by that
6 shareholder;

7 (g) The number of directors and the names of those who shall manage
8 the affairs of the corporation for the first year; and

9 (h) A statement that the articles of incorporation are made to
10 enable the incorporators to avail themselves of the advantages of the
11 laws of the state.

12 (3) Copies of all amended articles of incorporation and bylaws shall
13 be filed in the same manner as the original articles of incorporation and
14 bylaws.

15 (4) The incorporators shall solicit capital prior to filing an
16 application for a charter with the director, consistent with section
17 8-3013. In the event an application for a charter is not filed or is
18 denied by the director, all capital shall be promptly returned without
19 loss.

20 (5) Subject to federal and state law, a bank holding company may
21 apply to hold a digital asset depository institution.

22 Sec. 27. Section 8-3013, Reissue Revised Statutes of Nebraska, is
23 amended to read:

24 8-3013 (1) The capital stock of each digital asset depository
25 institution chartered under the Nebraska Financial Innovation Act shall
26 be subscribed for as paid-up stock. No digital asset depository
27 institution shall be chartered with capital stock of less than ten
28 million dollars.

29 (2) No digital asset depository institution shall commence business
30 until the full amount of its authorized capital is subscribed and all
31 capital stock is fully paid in. No digital asset depository institution

1 may be chartered without a paid-up surplus fund of at least three years
2 of estimated operating expenses in the amount disclosed pursuant to
3 subsection (2) of section 8-3015 or in another amount required by the
4 director.

5 (3) A digital asset depository institution may acquire additional
6 capital prior to the granting of a charter and shall report this capital
7 as an amendment to ~~in~~ its charter application.

8 Sec. 28. Section 8-3014, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 8-3014 (1) Any financial institution, having adopted or amended its
11 articles of incorporation to authorize the conduct of a digital asset
12 depository business may be further chartered by the director to transact
13 a digital asset depository business in a digital asset depository
14 department in connection with such financial institution.

15 (2) The director has the authority to issue to financial
16 institutions amendments to their charters ~~of authority~~ to transact a
17 digital asset depository business, ~~and~~ has general supervision and
18 control over such digital asset depository departments of financial
19 institutions, and may require the injection of additional capital.

20 (3) The director, before granting to any financial institution the
21 right to operate a digital asset depository department, shall require
22 such financial institution to make an application for amendment of its
23 charter, setting forth such information as the director may require.

24 (4) A digital asset depository department of a financial institution
25 when chartered under subsection (1) of this section shall be separate and
26 apart from every other department of the financial institution and shall
27 have all ~~of~~ the powers, duties, and obligations of a digital asset
28 depository institution as set forth in the Nebraska Financial Innovation
29 Act.

30 (5) Any financial institution authorized to transact a digital asset
31 depository business in a digital asset depository department pursuant to

1 subsection (1) of this section may conduct such digital asset depository
2 business at the office of any financial institution which is a subsidiary
3 of the same bank holding company as the authorized financial institution.

4 (6) A financial institution may deposit or have on deposit funds of
5 an account controlled by the financial institution's digital asset
6 depository department unless prohibited by applicable law.

7 Sec. 29. Section 8-3015, Reissue Revised Statutes of Nebraska, is
8 amended to read:

9 8-3015 (1) No corporation shall act as a digital asset depository
10 without first obtaining ~~authority~~ or a charter to operate from the
11 director under the Nebraska Financial Innovation Act.

12 (2) The incorporators under section 8-3012 shall apply to the
13 director for a charter. The application shall contain the digital asset
14 depository institution's articles of incorporation, bylaws, a detailed
15 business plan, a comprehensive estimate of operating expenses for the
16 first three years of operation, a complete proposal for compliance with
17 the provisions of the Nebraska Financial Innovation Act, evidence of the
18 capital and surplus required under section 8-3013, and any investors or
19 owners holding ten percent or more equity in the digital asset depository
20 institution. The director may prescribe the form of application.

21 (3) A financial institution may apply to the director for a charter
22 ~~authority~~ to operate a digital asset depository business as a department.
23 The application shall contain a detailed business plan, a comprehensive
24 estimate of operating expenses for the first three years of operation,
25 and a complete proposal for compliance with the provisions of the
26 Nebraska Financial Innovation Act. The director may prescribe the form of
27 application.

28 (4) Each application for a charter ~~or authority~~ shall be accompanied
29 by an application fee of fifty thousand dollars.

30 Sec. 30. Section 8-3016, Reissue Revised Statutes of Nebraska, is
31 amended to read:

1 8-3016 (1) After a substantially complete application for a digital
2 asset depository institution charter ~~authority~~ or a digital asset
3 depository department ~~institution~~ charter has been submitted, the
4 director shall notify the applicants in writing within thirty calendar
5 days of any deficiency in the required information or that the
6 application has been accepted for filing. When the director is satisfied
7 that all required information has been furnished, the director shall
8 establish a time and place for a public hearing which shall be conducted
9 not less than sixty days, nor more than one hundred twenty days, after
10 notice from the director to the applicants that the application is in
11 order.

12 (2) Within thirty days after receipt of notice of the time and place
13 of the public hearing, the department shall cause notice of filing of the
14 application and the hearing to be published at the applicant's
15 ~~applicants'~~ expense in a newspaper of general circulation within the
16 county where the proposed digital asset depository is to be located.
17 Publication shall be made at least once a week for three consecutive
18 weeks before the hearing, stating the proposed location of the digital
19 asset depository, the names of the applicants for a charter, the nature
20 of the activities to be conducted by the proposed digital asset
21 depository, and other information required by rule and regulation. The
22 director shall electronically send notice of the hearing to state and
23 national banks, federal savings and loan associations, state and federal
24 credit unions, and other financial institutions in the state, federal
25 agencies, and financial industry trade groups.

26 Sec. 31. Section 8-3017, Reissue Revised Statutes of Nebraska, is
27 amended to read:

28 8-3017 The hearing required by section 8-3016 ~~for a charter~~
29 ~~application or for authority to operate a digital asset depository~~ shall
30 be conducted under the Administrative Procedure Act and shall comply with
31 the requirements of the act.

1 Sec. 32. Section 8-3018, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 8-3018 Upon receiving an ~~the~~ application for a charter to become a
4 digital asset depository institution, or for a charter authority to
5 operate a digital asset depository department, the applicable fee, and
6 other information required by the director, the director shall make a
7 careful investigation and examination of the following:

8 (1) The character, reputation, criminal record, financial standing,
9 and ability of the shareholders owning ten percent or more equity in the
10 applicant;

11 (2) The character, financial responsibility, criminal background,
12 banking or other financial experience, and business qualifications of
13 those proposed as officers and directors;

14 (3) Whether the applicant or any of its officers, directors, or
15 shareholders owning ten percent or more equity in the applicant have ever
16 been convicted of any (i) misdemeanor involving any aspect of a digital
17 asset depository business or any business of a similar nature or (ii)
18 felony;

19 (4) Whether the applicant or any of its officers, directors, or
20 shareholders owning ten percent or more equity in the applicant have ever
21 been permanently or temporarily enjoined by a court of competent
22 jurisdiction from engaging in or continuing any conduct or practice
23 involving any aspect of a digital asset depository business or any
24 business of a similar nature;

25 (5) A criminal history record information check of the applicant,
26 its officers, directors, and shareholders owning ten percent or more
27 equity in the applicant. The direct cost of the criminal history record
28 information check shall be paid by the applicant; and

29 (6) The application for a charter, ~~or for authority to operate a~~
30 ~~digital asset depository,~~ including the adequacy and plausibility of the
31 business plan of the digital asset depository, the benefits to the

1 customers, and whether the applicant has offered a complete proposal for
2 compliance with the Nebraska Financial Innovation Act.

3 Sec. 33. Section 8-3019, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 8-3019 (1) Within ninety days after receipt of the transcript of the
6 public hearing, the director shall render a decision on the application
7 based on the following criteria and requirements:

8 (a) Whether the character, reputation, criminal record, financial
9 standing, and ability of the shareholders owning ten percent or more
10 equity in the applicant are sufficient to afford reasonable promise of a
11 successful operation;

12 (b) That the digital asset depository will be operated by officers
13 of integrity and responsibility;

14 (c) Whether the character, financial responsibility, criminal
15 background, and banking or other financial experience and business
16 qualifications of those proposed as officers and directors are sufficient
17 to afford reasonable promise of a successful operation;

18 (d) The adequacy and plausibility of the business plan of the
19 digital asset depository—~~institution~~, including the ongoing customer
20 expectations of the digital asset depository ~~institution~~ as determined by
21 the director;

22 (e) Compliance by the digital asset depository institution with the
23 capital and surplus requirements of section 8-3013;

24 (f) Whether the digital asset depository institution is being formed
25 for no other purpose than legitimate objectives authorized by law;

26 (g) That the name of the proposed digital asset depository
27 institution includes the words "digital asset bank" so that it does not
28 resemble the name of any other financial institution transacting business
29 in the state so as to cause confusion;

30 (h) That the digital asset depository will be operated in a safe and
31 sound manner ~~to benefit its customers~~;

1 (i) That the digital asset depository shall help meet the digital
2 financial needs of the communities in which it operates, consistent with
3 safe and sound operations, and shall maintain and update a public file
4 and on any Internet website or mobile application it maintains containing
5 specific information about its efforts to meet community needs,
6 including:

7 (i) The collection and reporting of data;

8 (ii) Its policies and procedures for accepting and responding to
9 consumer complaints; and

10 (iii) Its efforts to assist with financial literacy or personal
11 finance programs to increase knowledge and skills of Nebraska students in
12 areas such as digital assets, budgeting, credit, checking and savings
13 accounts, loans, stocks, and insurance;

14 (j) Whether the applicants have complied with all provisions of
15 state law and are eligible to apply for membership in the federal reserve
16 system; and

17 (k) Any other considerations in addition to statutory requirements
18 submitted by the applicant pursuant to operational order, rules and
19 regulations, or request of the department.

20 (2) The director shall approve an application upon making favorable
21 findings on the criteria set forth in subsection (1) of this section. The
22 ~~If necessary,~~ the director may either conditionally approve an
23 application by specifying conditions relating to the criteria or may deny
24 ~~disapprove~~ the application. The director shall state findings of fact and
25 conclusions of law as part of such decision and ~~(3) If the director~~
26 ~~approves the application,~~ the director shall issue an order approving,
27 conditionally approving, or denying the application.

28 Sec. 34. Section 8-3020, Reissue Revised Statutes of Nebraska, is
29 amended to read:

30 8-3020 (1) If an application is approved, and a charter shall not be
31 issued and ~~or authority is granted by the director under section 8-3019,~~

1 the digital asset depository shall not commence business before
2 satisfaction of all conditions precedent contained in the director's
3 order or conditional order.

4 (2) If an approved digital asset depository fails to commence
5 business in good faith within twelve months after the issuance of a
6 charter ~~or an order of authority to operate by the director~~, the charter
7 ~~or authority~~ shall expire. The director, for good cause and upon an
8 application filed prior to the expiration of the twelve-month ~~six-month~~
9 period, may extend the time within which the digital asset depository may
10 open for business.

11 Sec. 35. Section 8-3021, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 8-3021 Any decision of the department or director in approving,
14 conditionally approving, or denying ~~disapproving~~ a charter ~~or authority~~
15 for a digital asset depository is appealable in accordance with the
16 Administrative Procedure Act.

17 Sec. 36. Section 8-3022, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 8-3022 (1) Except as otherwise provided by subsection (2) of this
20 section, a digital asset depository shall, before transacting any
21 business, pledge or furnish a surety bond to the director to cover costs
22 likely to be incurred by the director in a liquidation or conservatorship
23 of the digital asset depository. The amount of the surety bond or pledge
24 of assets under subsection (2) of this section shall be determined by the
25 director in an amount sufficient to defray the costs of a liquidation or
26 conservatorship.

27 (2) In lieu of a bond, a digital asset depository may irrevocably
28 pledge specified assets equivalent to a bond under subsection (1) of this
29 section. Any assets pledged to the director under this subsection shall
30 be held in a state or nationally chartered bank, trust company, federal
31 reserve bank, or savings and loan association having a principal or

1 branch office in this state, excluding affiliated institutions. All costs
2 associated with pledging and holding such assets are the responsibility
3 of the digital asset depository.

4 (3) Assets pledged to the director shall not include money and shall
5 be of the same nature and quality as those required under section 8-210.

6 (4) The digital asset depository shall have the right, with the
7 approval of the director, to substitute other securities for those
8 deposited and shall be required to do so on written order of the director
9 made for good cause shown. The digital asset depository shall pay the
10 fees prescribed in section 8-602 for pledging and substitution of
11 securities. So long as the digital asset depository so depositing shall
12 continue to be solvent and is not in violation of the Nebraska Financial
13 Innovation Act, such digital asset depository shall be permitted to
14 receive the interest or dividends on such deposit.

15 (5) (4) Surety bonds shall run to the State of Nebraska⁷ and shall
16 be approved under the terms and conditions required under section 8-110.

17 (6) (5) The director may by order or rules and regulations establish
18 additional investment guidelines or investment options for purposes of
19 the pledge or surety bond required by this section.

20 (7) (6) In the event of a liquidation or conservatorship of a
21 digital asset depository pursuant to section 8-3027, the director may,
22 without regard to priorities, preferences, or adverse claims, reduce the
23 surety bond or assets pledged under this section to cash as soon as
24 practicable and utilize the cash to defray the costs associated with the
25 liquidation or conservatorship.

26 (8) (7) Income from assets pledged under subsection (2) of this
27 section shall be paid to the digital asset depository no less than
28 annually, unless a liquidation or conservatorship takes place.

29 (9) (8) Upon evidence that the amount of the current surety bond is
30 or pledged assets is ~~are~~ insufficient, the director may require a digital
31 asset depository to increase its surety bond or pledged assets by

1 providing not less than thirty days' written notice to the digital asset
2 depository.

3 Sec. 37. Section 8-3023, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 8-3023 (1) The director may call for reports verified under oath
6 from a digital asset depository at any time as necessary to inform the
7 director of the condition of the digital asset depository. Such reports
8 shall be available to the public.

9 (2) All reports required of a digital asset depository by the
10 director and all materials relating to examinations of a digital asset
11 depository shall be subject to the provisions of sections 8-103 and
12 8-108.

13 (3) Every digital asset depository is subject to examination by the
14 department to determine the condition and resources of a digital asset
15 depository, the mode of managing digital asset depository affairs and
16 conducting business, the actions of officers and directors in the
17 investment and disposition of funds, the safety and prudence of digital
18 asset depository management, compliance with the requirements of the
19 Nebraska Financial Innovation Act, and such other matters as the director
20 may require.

21 (4) A digital asset depository shall pay an assessment in a sum to
22 be determined by the director in accordance with section 8-601 and
23 approved by the Governor and the costs of any examination or
24 investigation as provided in sections 8-108 and 8-606.

25 (5) A digital asset depository shall maintain appropriate insurance
26 or a bond covering the operational risks of the digital asset depository,
27 which shall include coverage for directors' and officers' liability,
28 errors and omissions liability, ~~and~~ information technology infrastructure
29 and activities liability, and business operations, as determined by the
30 director.

31 Sec. 38. Section 8-3025, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 8-3025 The director may suspend or revoke the charter ~~or authority~~
3 of a digital asset depository if, after notice and opportunity for a
4 hearing, the director determines that:

5 (1) The digital asset depository has failed or refused to comply
6 with an order issued under section 8-1,136, 8-2504, or 8-2743;

7 (2) The application for a charter ~~or authority~~ contained a
8 materially false statement, misrepresentation, or omission; or

9 (3) An officer, a director, or an agent of the digital asset
10 depository, in connection with an application for a charter ~~or authority~~,
11 an examination, a report, or other document filed with the director,
12 knowingly made a materially false statement, misrepresentation, or
13 omission to the department, the director, or the duly authorized agent of
14 the department or director.

15 Sec. 39. Section 8-3026, Reissue Revised Statutes of Nebraska, is
16 amended to read:

17 8-3026 If the charter ~~or authority~~ of a digital asset depository is
18 surrendered, suspended, or revoked, the digital asset depository shall
19 continue to be subject to the provisions of the Nebraska Financial
20 Innovation Act during any liquidation or conservatorship.

21 Sec. 40. Section 8-3028, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 8-3028 (1) A digital asset depository institution may voluntarily
24 dissolve in accordance with this section. Voluntary dissolution shall be
25 accomplished by either liquidating the digital asset depository
26 institution or reorganizing the digital asset depository institution into
27 an appropriate business entity that does not engage in any activity
28 authorized only for a digital asset depository institution. Upon complete
29 liquidation or completion of the reorganization, the director shall
30 revoke the charter ~~or authority~~ of the digital asset depository
31 institution. Thereafter, the corporation or business entity shall not use

1 the words digital asset depository or digital asset bank in its business
2 name or in connection with its ongoing business.

3 (2) A digital asset depository institution may dissolve its charter
4 either by liquidation or reorganization. The board of directors shall
5 file an application for dissolution with the director, accompanied by a
6 filing fee established by an order or the rules and regulations of the
7 director. The application shall include a comprehensive plan for
8 dissolution setting forth the proposed disposition of all assets and
9 liabilities in reasonable detail to effect a liquidation or
10 reorganization, and any other plans required by the director. The plan of
11 dissolution shall provide for the discharge or assumption of all of the
12 known and unknown claims and liabilities of the digital asset depository
13 institution. Additionally, the application for dissolution shall include
14 other evidence, certifications, affidavits, documents, or information as
15 the director may require, including demonstration of how assets and
16 liabilities will be disposed, the timetable for effecting disposition of
17 the assets and liabilities, and a proposal of the digital asset
18 depository institution for addressing any claims that are asserted after
19 dissolution has been completed. The director shall examine the
20 application for compliance with this section, the business entity laws
21 applicable to the required type of dissolution, and applicable orders and
22 rules and regulations. The director may conduct a special examination of
23 the digital asset depository institution, consistent with subsection (3)
24 of section 8-3023, for purposes of evaluating the application.

25 (3) If the director finds that the application is incomplete, the
26 director shall return it for completion not later than sixty days after
27 it is filed. If the application is found to be complete by the director,
28 the director shall approve or ~~deny disapprove~~ the application not later
29 than thirty days after it is filed. If the director approves the
30 application, the digital asset depository institution may proceed with
31 the dissolution pursuant to the plan outlined in the application, subject

1 to any further conditions the director may prescribe. If the digital
2 asset depository institution subsequently determines that the plan of
3 dissolution needs to be amended to complete the dissolution, it shall
4 file an amended plan with the director and obtain approval to proceed
5 under the amended plan. If the director does not approve the application
6 or amended plan, the digital asset depository institution may appeal the
7 decision to the director pursuant to the Administrative Procedure Act.

8 (4) Upon completion of all actions required under the plan of
9 dissolution and satisfaction of all conditions prescribed by the
10 director, the digital asset depository institution shall submit a written
11 report of its actions to the director. The report shall contain a
12 certification made under oath that the report is true and correct.
13 Following receipt of the report, the director, no later than sixty days
14 after the filing of the report, shall examine the digital asset
15 depository institution to determine whether the director is satisfied
16 that all required actions have been taken in accordance with the plan of
17 dissolution and any conditions prescribed by the director. If all
18 requirements and conditions have been met, the director shall, within
19 thirty days of the examination, notify the digital asset depository
20 institution in writing that the dissolution has been completed and issue
21 an order of dissolution.

22 (5) Upon receiving an order of dissolution, the digital asset
23 depository institution shall surrender its charter to the director. The
24 digital asset depository institution shall then file articles of
25 dissolution and other documents required by sections 21-2,184 to 21-2,201
26 for a corporation with the Secretary of State. In the case of
27 reorganization, the digital asset depository institution shall file the
28 documents required by the Secretary of State to finalize the
29 reorganization.

30 (6) If the director determines that all required actions under the
31 plan for dissolution, or as otherwise required by the director, have not

1 been completed, the director shall notify the digital asset depository
2 institution, not later than thirty days after this determination, in
3 writing, of what additional actions shall be taken in order for the
4 institution to be eligible for a certificate of dissolution. The director
5 shall establish a reasonable deadline of up to thirty days for the
6 submission of evidence that additional actions have been taken and the
7 director may extend any deadline upon good cause. If the digital asset
8 depository institution fails to file a supplemental report showing that
9 the additional actions have been taken before the deadline, or submits a
10 report that is found not to be satisfactory by the director, the director
11 shall notify the digital asset depository institution in writing that its
12 voluntary dissolution is not approved, and the institution may appeal the
13 decision to the director pursuant to the Administrative Procedure Act.

14 (7) A financial institution operating a digital asset depository
15 department may, upon adoption of a resolution by its board of directors,
16 and upon compliance with the provisions of this section, insofar as
17 determined by the director by order or rule and regulation, surrender its
18 charter for a digital asset depository department for cancellation to the
19 department.

20 Sec. 41. Section 8-3030, Reissue Revised Statutes of Nebraska, is
21 amended to read:

22 8-3030 Each officer, director, employee, or agent of a digital asset
23 depository, following written notice from the director, is subject to
24 removal upon order of the director if such officer, director, employee,
25 or agent knowingly, willfully, or negligently:

26 (1) Fails to perform any duty required by the Nebraska Financial
27 Innovation Act or other applicable law;

28 (2) Fails to conform to any order or rules and regulations of the
29 director; or

30 (3) Endangers the interest of a customer or the safety and soundness
31 of the digital asset depository.

1 Sec. 42. Section 10-110, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 10-110 The county clerk shall ascertain from the assessment roll of
4 the county the amount of taxable property in such county and the
5 percentage required to be levied thereon to pay the interest and to
6 create a sinking fund. The county board ~~clerk~~ shall levy such percentage
7 upon the taxable property of the county, and the county clerk shall place
8 the same upon the tax roll of the county in a separate column or columns,
9 designating the purposes for which the taxes are levied. The taxes shall
10 be collected by the county treasurer in the same manner that other taxes
11 are collected.

12 Sec. 43. Section 10-402, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 10-402 The proposition of the question must be accompanied by a
15 provision to levy a tax annually for the payment of the interest on the
16 ~~said bonds. An as it becomes due; Provided, an~~ additional amount shall be
17 levied and collected to pay the principal of such ~~said bonds when it~~
18 ~~shall become due.~~

19 Sec. 44. Section 10-403, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 10-403 The proposition shall state the rate of interest such bond
22 shall draw, ~~and when the principal and interest shall be made payable.~~

23 Sec. 45. Section 10-405, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 10-405 It shall be the duty of the proper officers of such county or
26 city to cause to be annually levied, collected, and paid to the holders
27 of such bonds a special tax on all taxable property within the said
28 county or city sufficient to pay the annual interest and ~~as the same~~
29 ~~becomes due. When the principal of the said bonds. Not becomes due such~~
30 ~~officers shall in like manner levy and collect an additional amount~~
31 ~~sufficient to pay the same as it becomes due; Provided, not more than~~

1 twenty percent of the principal of such said bonds shall be collected in
2 any one year.

3 Sec. 46. Section 10-507, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 10-507 The county board of any county issuing bonds under the
6 ~~provisions of~~ sections 10-501 to 10-509 shall levy a tax annually for the
7 payment of the interest on the said bonds. ~~An as it becomes due;~~
8 ~~Provided,~~ an additional amount shall be levied and collected sufficient
9 to pay the principal of such bonds at maturity. ~~Not ; and provided, not~~
10 more than twenty percent of the principal of such said bonds shall be
11 levied and collected in any one year.

12 Sec. 47. Section 10-711, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 10-711 It shall be the duty of the county board in each county to
15 levy annually upon all the taxable property in each school district in
16 such county a tax sufficient to pay the interest that will accrue or is
17 accruing upon any bonds that have been or will be issued by such school
18 district and to provide a sinking fund for the final redemption of the
19 same. Such levy shall be made with the annual levy of the county and the
20 taxes collected with other taxes and when collected shall be paid over to
21 the county treasurer of the county in which the administrative office of
22 such school district is located and shall remain in the hands of such
23 county treasurer as a specific fund for the payment of the interest upon
24 such bonds and for the final payment of the same at maturity. At the
25 request of the school board of any district, the county board shall omit
26 making a levy to pay the principal of the bonds when no bonds will be due
27 within fifteen years thereafter.

28 Sec. 48. Section 10-804, Reissue Revised Statutes of Nebraska, is
29 amended to read:

30 10-804 The proposition, when submitted, shall state the amount
31 necessary to be raised each year for the payment of the interest on the

1 ~~said~~ bonds, and for the payment of the principal thereof at maturity.
2 When such bonds shall have been issued or authorized to be issued, the
3 proper officers of such county shall cause to be annually levied and
4 collected a special tax upon all taxable property of such county to raise
5 the annual amount designated in the said proposition, and to pay the
6 interest and principal of such ~~said~~ bonds ~~as the same become due and~~
7 ~~payable~~.

8 Sec. 49. Section 13-509, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 13-509 (1) On or before August 20 of each year, the county assessor
11 shall certify to each governing body or board empowered to levy or
12 certify a tax levy the current taxable value of the taxable real and
13 personal property subject to the applicable levy. The certification shall
14 be provided to the governing body or board (a) by mail if requested by
15 the governing body or board, (b) electronically, or (c) by listing such
16 certification on the county assessor's website.

17 (2) Current taxable value for real property shall mean the value
18 established by the county assessor and equalized by the county board of
19 equalization and the Tax Equalization and Review Commission. Current
20 taxable value for tangible personal property shall mean the net book
21 value reported by the taxpayer and certified by the county assessor.

22 (3) If a political subdivision annexes property since the last time
23 taxable values were certified under subsection (1) of this section, the
24 governing body of such political subdivision shall file and record a
25 certified copy of the annexation ordinance, petition, or resolution in
26 the office of the register of deeds or, if none, the county clerk and the
27 county assessor of the county in which the annexed property is located.
28 The annexation ordinance, petition, or resolution shall include a full
29 legal description of the annexed property. If the register of deeds or
30 county clerk receives and records such ordinance, petition, or resolution
31 prior to July 1 or, for annexations by a city of the metropolitan class,

1 prior to August 1, the valuation of the real and personal property
2 annexed shall be considered in the taxable valuation of the annexing
3 political subdivision for the current year. If the register of deeds or
4 county clerk receives and records such ordinance, petition, or resolution
5 on or after July 1 or, for annexations by a city of the metropolitan
6 class, on or after August 1, the valuation of the real and personal
7 property annexed shall be considered in the taxable valuation of the
8 annexing political subdivision for the following year.

9 (4) If the legal voters of a political subdivision have approved a
10 bond since the last time taxable values were certified under subsection
11 (1) of this section, the governing body of such political subdivision
12 shall file a copy of the bond language approved by the legal voters of
13 the political subdivision and a full legal description of the property
14 subject to the bond with the county assessor of the county or counties in
15 which such political subdivision is located. If the county assessor
16 receives such copy and full legal description prior to July 1 or, for
17 bonds of a city of the metropolitan class, prior to August 1, the
18 valuation of the real and personal property subject to the bond shall be
19 included in the value certified by the county assessor pursuant to
20 subsection (1) of this section for the current year. If the county
21 assessor receives such copy and full legal description on or after July 1
22 or, for bonds of a city of the metropolitan class, on or after August 1,
23 the valuation of the real and personal property subject to the bond shall
24 be included in the value certified by the county assessor pursuant to
25 subsection (1) of this section for the following year.

26 Sec. 50. Section 21-17,115, Reissue Revised Statutes of Nebraska, is
27 amended to read:

28 21-17,115 Notwithstanding any of the other provisions of the Credit
29 Union Act or any other Nebraska statute, any credit union incorporated
30 under the laws of the State of Nebraska and organized under the
31 provisions of the act shall have all the rights, powers, privileges,

1 benefits, and immunities which may be exercised as of January 1, 2023
2 ~~2022~~, by a federal credit union doing business in Nebraska on the
3 condition that such rights, powers, privileges, benefits, and immunities
4 shall not relieve such credit union from payment of state taxes assessed
5 under any applicable laws of this state.

6 Sec. 51. Section 44-319.02, Reissue Revised Statutes of Nebraska, is
7 amended to read:

8 44-319.02 Every domestic insurer hereafter organized to transact the
9 business of insurance in this state shall deposit and continually
10 maintain with the Department of Insurance eligible securities for the
11 benefit of all of its policyholders or policyholders and creditors in the
12 United States in the amount of one hundred thousand dollars.

13 Sec. 52. Section 44-319.03, Reissue Revised Statutes of Nebraska, is
14 amended to read:

15 44-319.03 Every domestic assessment association hereafter organized
16 to transact the business of insurance in this state, except (1) health
17 and accident assessment associations and (2) assessment associations
18 organized primarily to write insurance coverage on farm properties
19 against the perils of fire, lightning, windstorm, and hail, shall deposit
20 with the Department of Insurance eligible securities for the benefit of
21 all of its policyholders or policyholders and creditors in the United
22 States equal to one-fifth of the minimum surplus funds required of
23 domestic mutual insurance companies licensed to write the same kind or
24 kinds of insurance.

25 Sec. 53. Section 44-319.06, Reissue Revised Statutes of Nebraska, is
26 amended to read:

27 44-319.06 No foreign insurer or assessment association now or
28 hereafter authorized to do business in this state shall henceforth
29 transact such business unless it shall deposit and continually maintain
30 with the Department of Insurance or with the proper official of some one
31 state of the United States designated by law to accept such deposit,

1 eligible securities in the amount of not less than one hundred thousand
2 dollars for the benefit of all of its policyholders or policyholders and
3 creditors in the United States.

4 Sec. 54. Section 44-785, Reissue Revised Statutes of Nebraska, is
5 amended to read:

6 44-785 (1) Notwithstanding section 44-3,131, (a) any individual or
7 group sickness and accident insurance policy or subscriber contract
8 delivered, issued for delivery, or renewed in this state and any
9 hospital, medical, or surgical expense-incurred policy, except for
10 policies that provide coverage for a specified disease or other limited-
11 benefit coverage, and (b) any self-funded employee benefit plan to the
12 extent not preempted by federal law shall include coverage for screening
13 mammography, digital breast tomosynthesis, bilateral whole breast
14 ultrasound, and diagnostic magnetic resonance imaging as follows:

15 (i) For a woman ~~women~~ who is ~~are~~ thirty-five years of age or ~~and~~
16 older but younger than forty years of age, one base-line mammogram
17 between thirty-five and forty years of age;

18 (ii) For a woman ~~women~~ who is younger than ~~are~~ forty years of age
19 and who, based on the National Comprehensive Cancer Network Guidelines
20 for Breast Cancer Screening and Diagnosis version 1.2022 and the
21 recommendation of the woman's health care provider, has an increased risk
22 of breast cancer due to (A) a family or personal history of breast cancer
23 or prior atypical breast biopsy, (B) positive genetic testing, or (C)
24 heterogeneous or dense breast tissue based on a breast imaging, at least
25 one mammogram each year and additional mammograms if necessary; ~~older but~~
26 younger than fifty years of age, one mammogram every two years or more
27 frequently based on the patient's physician's recommendation; and

28 (iii) For a woman ~~women~~ who is forty ~~are~~ ~~fifty~~ years of age or
29 older, one mammogram every year; ~~and~~

30 (iv) For a woman who, based on the National Comprehensive Cancer
31 Network Guidelines for Breast Cancer Screening and Diagnosis version

1 1.2022 and the recommendation of the woman's health care provider, has an
2 increased risk for breast cancer due to (A) a family or personal history
3 of breast cancer or prior atypical breast biopsy, (B) positive genetic
4 testing, or (C) heterogeneous or dense breast tissue based on a breast
5 imaging, one digital breast tomosynthesis each year;

6 (v) For a woman who, based on the National Comprehensive Cancer
7 Network Guidelines for Breast Cancer Screening and Diagnosis version
8 1.2022 and the recommendation of the woman's health care provider, has an
9 increased risk for breast cancer due to (A) a family or personal history
10 of breast cancer or prior atypical breast biopsy, (B) positive genetic
11 testing, or (C) heterogeneous or dense breast tissue based on a breast
12 imaging, one bilateral whole breast ultrasound each year;

13 (vi) For a woman who, based on the National Comprehensive Cancer
14 Network Guidelines for Breast Cancer Screening and Diagnosis version
15 1.2022 and the recommendation of the woman's health care provider, has an
16 increased risk for breast cancer due to (A) a family or personal history
17 of breast cancer or prior atypical breast biopsy, (B) positive genetic
18 testing, or (C) a history of chest radiation, one diagnostic magnetic
19 resonance imaging each year; and

20 (vii) For a woman who, based on national standard risk models or the
21 National Comprehensive Cancer Network Guidelines for Breast Cancer
22 Screening and Diagnosis, has an increased risk of breast cancer and
23 heterogeneous or dense breast tissue, one diagnostic magnetic resonance
24 imaging each year.

25 (2)(a) Except as provided in subdivision (b) of this subsection,
26 this section prohibits the application of deductible, coinsurance,
27 copayment, or other cost-sharing requirements contained in the policy or
28 health benefit plan for such services.

29 (b) {2} This section does not prevent application of deductible or
30 copayment provisions contained in the policy or health benefit plan for
31 diagnostic magnetic resonance imaging for a woman based on heterogeneous

1 or dense breast tissue.

2 (c) This section does not ~~or~~ require that coverage under an
3 individual or group policy or health benefit plan be extended to any
4 other procedures. The coverage provided by this section shall not be less
5 favorable than for other radiological examinations. ~~This section does not~~
6 ~~apply if the covered individuals are provided an ongoing screening~~
7 ~~mammography program which at a minimum meets the requirements of this~~
8 ~~section as a separate benefit.~~

9 (3) For purposes of this section, screening mammography shall mean
10 radiological examination of the breast of asymptomatic women for the
11 early detection of breast cancer, which examination shall include (a) a
12 cranio-caudal and a medial lateral oblique view of each breast and (b) a
13 licensed radiologist's interpretation of the results of the procedure.
14 Screening mammography shall not include diagnostic mammography,
15 additional projections required for lesion definition, breast ultrasound,
16 or any breast interventional procedure. Screening mammography shall be
17 performed by a mammogram supplier who meets the standards of the federal
18 Mammography Quality Standards Act of 1992.

19 Sec. 55. Section 44-7,102, Revised Statutes Cumulative Supplement,
20 2022, is amended to read:

21 44-7,102 (1) Notwithstanding section 44-3,131, (a) any individual or
22 group sickness and accident insurance policy, certificate, or subscriber
23 contract delivered, issued for delivery, or renewed in this state and any
24 hospital, medical, or surgical expense-incurred policy, except for short-
25 term major medical policies of six months or less duration and policies
26 that provide coverage for a specified disease or other limited-benefit
27 coverage, and (b) any self-funded employee benefit plan to the extent not
28 preempted by federal law shall include screening coverage for a
29 colorectal cancer examination and laboratory tests for cancer for any
30 nonsymptomatic person forty-five years of age or older covered under such
31 policy, certificate, contract, or plan. Such screening coverage shall

1 include a maximum of one stool-based preventive screening test as
2 approved by the United States Preventive Services Task Force screening
3 ~~fecal occult blood test~~ annually and a flexible sigmoidoscopy every five
4 years, a colonoscopy every ten years, or a barium enema every five to ten
5 years, or any combination, or the most reliable, medically recognized
6 screening test available. The screenings selected shall be as deemed
7 appropriate by a health care provider and the patient.

8 (2) On or after December 31, 2023, no policy, certificate, or
9 contract, delivered, issued for delivery, or renewed in this state, or
10 any self-funded employee benefit plan, to the extent not preempted by
11 federal law, shall impose a deductible, coinsurance, or any other cost-
12 sharing requirements for screening colonoscopies as recommended by the
13 United States Preventive Services Task Force, including those performed
14 as a result of a positive noncolonoscopy stool-based preventive screening
15 test ~~This section does not prevent application of deductible or copayment~~
16 ~~provisions contained in the policy, certificate, contract, or employee~~
17 ~~benefit plan or require that such coverage be extended to any other~~
18 ~~procedures.~~

19 Sec. 56. Section 44-1993, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 44-1993 (1) A title insurer shall not accept title insurance
22 business from a title insurance agent unless there is in force a written
23 contract between the parties which sets forth the responsibilities of
24 each party and, when both parties share responsibility for a particular
25 function, specifies the division of responsibilities.

26 (2) For each title insurance agent under contract with a title
27 insurer, the title insurer shall have on file a statement of financial
28 condition of each title insurance agent as of the end of the previous
29 calendar year setting forth an income statement of title insurance
30 business done during the preceding year and a balance sheet showing the
31 condition of its affairs as of the prior December 31 certified by the

1 title insurance agent as being a true and accurate representation of the
2 title insurance agent's financial condition. Attorneys actively engaged
3 in the practice of law, other than that related to title insurance
4 business, are exempt from the requirements of this subsection.

5 (3) A title insurer shall, at least annually, conduct a ~~an~~ on-site
6 review of the underwriting, claims, and escrow practices of the title
7 insurance agent which shall include a review of the title insurance
8 agent's title insurance policy form inventory and processing operations.
9 If the title insurance agent does not maintain separate financial
10 institution or trust accounts for each title insurer it represents, the
11 title insurer shall verify that the funds held on its behalf are
12 reasonably ascertainable from the books of account and records of the
13 title insurance agent.

14 (4) Within thirty days after executing or terminating a contract
15 with a title insurance agent, a title insurer shall provide written
16 notification of the appointment or termination and the reason for
17 termination to the director. Notices of appointment of a title insurance
18 agent shall be made on a form prescribed or approved by the director.

19 (5) A title insurer shall maintain an inventory of all title
20 insurance policy forms or title insurance policy numbers allocated to
21 each title insurance agent.

22 (6) A title insurer shall have on file proof that each title
23 insurance agent is licensed by this state.

24 (7) A title insurer shall establish the underwriting guidelines and,
25 when applicable, limitations on title claims settlement authority to be
26 incorporated into contracts with its title insurance agents.

27 (8)(a) A title insurer is liable for the defalcation, conversion, or
28 misappropriation by a title insurance agent appointed by or under written
29 contract with such title insurer of escrow, settlement, closing, or
30 security deposit funds handled by such title insurance agent in
31 contemplation of or in conjunction with the issuance of a title insurance

1 commitment or title insurance policy by such title insurer. However, if
2 no such title insurance commitment or title insurance policy was issued,
3 each title insurer which appointed or maintained a written contract with
4 such title insurance agent at the time of the discovery of the
5 defalcation, conversion, or misappropriation shares in the liability for
6 the defalcation, conversion, or misappropriation in the same proportion
7 that the premium remitted to the title insurer by such title insurance
8 agent during the twelve-month period immediately preceding the date of
9 the discovery of the defalcation, conversion, or misappropriation bears
10 to the total premium remitted to all title insurers by such title
11 insurance agent during the twelve-month period immediately preceding the
12 date of the discovery of the defalcation, conversion, or
13 misappropriation.

14 (b) For purposes of this subsection, title insurance agent includes
15 (i) a person with whom a title insurer maintains a title insurance agency
16 agreement and (ii) an employer or employee of a title insurance agent or
17 of a person with whom a title insurer maintains a title insurance agency
18 agreement.

19 Sec. 57. Section 44-2824, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 44-2824 (1) To be qualified under the Nebraska Hospital-Medical
22 Liability Act, a health care provider or such health care provider's
23 employer, employee, partner, or limited liability company member shall:

24 (a) File with the director proof of financial responsibility,
25 pursuant to section 44-2827 or 44-2827.01, in the amount of eight five
26 hundred thousand dollars for each occurrence. ~~An In the case of~~
27 ~~physicians or certified registered nurse anesthetists and their~~
28 ~~employers, employees, partners, or limited liability company members an~~
29 aggregate liability amount of three one million dollars for all
30 occurrences or claims made in any policy year or risk-loss trust year for
31 each named insured shall be provided. ~~In the case of hospitals and their~~

1 ~~employees, an aggregate liability amount of three million dollars for all~~
2 ~~occurrences or claims made in any policy year or risk-loss trust year~~
3 ~~shall be provided.~~ Such policy may be written on either an occurrence or
4 a claims-made basis. Any risk-loss trust shall be established and
5 maintained only on an occurrence basis. Such qualification shall remain
6 effective only as long as insurance coverage or risk-loss trust coverage
7 as required remains effective; and

8 (b) Pay the surcharge and any special surcharge levied on all health
9 care providers pursuant to sections 44-2829 to 44-2831.

10 (2) Subject to the requirements in subsections (1) and (4) of this
11 section, the qualification of a health care provider shall be either on
12 an occurrence or claims-made basis and shall be the same as the insurance
13 coverage provided by the insured's policy.

14 (3) The director shall have authority to permit qualification of
15 health care providers who have retired or ceased doing business if such
16 health care providers have primary insurance coverage under subsection
17 (1) of this section.

18 (4) A health care provider who is not qualified under the act at the
19 time of the alleged occurrence giving rise to a claim shall not, for
20 purposes of that claim, qualify under the act notwithstanding subsequent
21 filing of proof of financial responsibility and payment of a required
22 surcharge.

23 (5) Qualification of a health care provider under the Nebraska
24 Hospital-Medical Liability Act shall continue only as long as the health
25 care provider meets the requirements for qualification. A health care
26 provider who has once qualified under the act and who fails to renew or
27 continue his or her qualification in the manner provided by law and by
28 the rules and regulations of the Department of Insurance shall cease to
29 be qualified under the act.

30 Sec. 58. Section 44-2825, Reissue Revised Statutes of Nebraska, is
31 amended to read:

1 44-2825 (1) The total amount recoverable under the Nebraska
2 Hospital-Medical Liability Act from any and all health care providers and
3 the Excess Liability Fund for any occurrence resulting in any injury or
4 death of a patient may not exceed (a) five hundred thousand dollars for
5 any occurrence on or before December 31, 1984, (b) one million dollars
6 for any occurrence after December 31, 1984, and on or before December 31,
7 1992, (c) one million two hundred fifty thousand dollars for any
8 occurrence after December 31, 1992, and on or before December 31, 2003,
9 (d) one million seven hundred fifty thousand dollars for any occurrence
10 after December 31, 2003, and on or before December 31, 2014, and (e) two
11 million two hundred fifty thousand dollars for any occurrence after
12 December 31, 2014.

13 (2) A health care provider qualified under the act shall not be
14 liable to any patient or his or her representative who is covered by the
15 act for an amount in excess of eight ~~five~~ hundred thousand dollars for
16 all claims or causes of action arising from any occurrence during the
17 period that the act is effective with reference to such patient.

18 (3) Subject to the overall limits from all sources as provided in
19 subsection (1) of this section, any amount due from a judgment or
20 settlement which is in excess of the total liability of all liable health
21 care providers shall be paid from the Excess Liability Fund pursuant to
22 sections 44-2831 to 44-2833.

23 (4) Nothing in the Nebraska Hospital-Medical Liability Act shall be
24 construed to require the Excess Liability Fund to provide coverage for
25 the first eight hundred thousand dollars per occurrence or to provide a
26 defense for or on behalf of a qualified health care provider after the
27 provider's annual aggregate limit of liability amount set forth in
28 sections 44-2824 and 44-2827 has been exhausted. A qualified health care
29 provider's purchase of coverage with an aggregate limit of liability
30 higher than required by sections 44-2824 and 44-2827 shall not affect the
31 obligation of payment from the Excess Liability Fund pursuant to this

1 section.

2 Sec. 59. Section 44-2827, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 44-2827 Financial responsibility of a health care provider may be
5 established only by filing with the director proof that the health care
6 provider is insured pursuant to sections 44-2837 to 44-2839 or by a
7 policy of professional liability insurance in a company authorized to do
8 business in Nebraska. Such insurance shall be in the amount of eight five
9 hundred thousand dollars per occurrence, ~~and, in cases involving~~
10 ~~physicians or certified registered nurse anesthetists, but not with~~
11 ~~respect to hospitals, an aggregate liability of at least one million~~
12 ~~dollars for all occurrences or claims made in any policy year shall be~~
13 ~~provided. In the case of hospitals and their employees, an aggregate~~
14 liability amount of three million dollars for all occurrences or claims
15 made in any policy year shall be provided. The filing shall state the
16 premium charged for the policy of insurance.

17 Sec. 60. Section 44-2831.01, Reissue Revised Statutes of Nebraska,
18 is amended to read:

19 44-2831.01 (1) Any health care provider who has furnished proof of
20 financial responsibility prior to January 1, 2025 ~~2005~~, under sections
21 44-2824 and 44-2827 shall be qualified under section 44-2824 for the
22 remainder of the policy year or risk-loss trust year.

23 (2) The increases in coverage requirements made by Laws 2004, LB
24 998, in sections 44-2824 and 44-2827 shall apply to policies issued or
25 renewed and risk-loss trust years that ~~which~~ commence after January 1,
26 2005, and before January 1, 2025.

27 (3) The changes made to sections 44-2825, 44-2832, and 44-2833 by
28 Laws 2004, LB 998, apply commencing with policies issued or renewed and
29 risk-loss trust years that ~~which~~ commence after January 1, 2005, and
30 before January 1, 2025.

31 (4) The increases in coverage requirements made by this legislative

1 bill in sections 44-2824 and 44-2827 shall apply to policies issued or
2 renewed and risk-loss trust years that commence on or after January 1,
3 2025.

4 (5) The changes made to sections 44-2825, 44-2832, and 44-2833 by
5 this legislative bill apply commencing with policies issued or renewed
6 and risk-loss trust years that commence on or after January 1, 2025.

7 Sec. 61. Section 44-2832, Reissue Revised Statutes of Nebraska, is
8 amended to read:

9 44-2832 (1) The Director of Administrative Services shall issue a
10 warrant drawn on the fund in the amount of each claim submitted by the
11 director. All claims against the fund shall be made on a voucher or other
12 appropriate request by the director after he or she has received:

13 (a) A certified copy of a final judgment in excess of eight ~~five~~
14 hundred thousand dollars against a health care provider and in excess of
15 the amount recoverable from all health care providers;

16 (b) A certified copy of a court-approved settlement in excess of
17 eight ~~five~~ hundred thousand dollars against a health care provider and in
18 excess of the amount recoverable from all health care providers; or

19 (c) In case of claims based on primary insurance issued by the risk
20 manager under sections 44-2837 to 44-2839, a certified copy of a final
21 judgment or court-approved settlement requiring payment from the fund.

22 (2) The amount paid from the fund for excess liability when added to
23 the payments by all health care providers may not exceed the maximum
24 amount recoverable pursuant to subsection (1) of section 44-2825. The
25 amount paid from the fund on account of a primary insurance policy issued
26 by the risk manager to a health care provider under sections 44-2837 to
27 44-2839 may not exceed eight ~~five~~ hundred thousand dollars for any one
28 occurrence covered by such policy under any circumstances.

29 Sec. 62. Section 44-2833, Reissue Revised Statutes of Nebraska, is
30 amended to read:

31 44-2833 (1) If the insurer of a health care provider shall agree to

1 settle its liability on a claim against its insured by payment of its
2 policy limits of eight ~~five~~ hundred thousand dollars and the claimant
3 shall demand an amount in excess thereof for a complete and final release
4 and if no other health care provider is involved, the procedures
5 prescribed in this section shall be followed.

6 (2) A motion shall be filed by the claimant with the court in which
7 the action is pending against the health care provider or, if no action
8 is pending, the claimant shall file a complaint in one of the district
9 courts of the State of Nebraska, seeking approval of an agreed
10 settlement, if any, or demanding payment of damages from the Excess
11 Liability Fund.

12 (3) A copy of such motion or complaint shall be served on the
13 director, the health care provider, and the health care provider's
14 insurer and shall contain sufficient information to inform the parties
15 concerning the nature of the claim and the additional amount demanded.
16 The health care provider and his or her insurer shall have a right to
17 intervene and participate in the proceedings.

18 (4) The director, with the consent of the health care provider, may
19 agree to a settlement with the claimant from the Excess Liability Fund.
20 Either the director or the health care provider may file written
21 objections to the payment of the amount demanded. The agreement or
22 objections to the payment demanded shall be filed within twenty days
23 after the motion or complaint is filed.

24 (5) After the motion or complaint, agreement, and objections, if
25 any, have been filed, the judge shall set the matter for trial as soon as
26 practicable. The court shall give notice of the trial to the claimant,
27 the health care provider, and the director.

28 (6) At the trial, the director, the claimant, and the health care
29 provider may introduce relevant evidence to enable the court to determine
30 whether or not the settlement should be approved if it has been submitted
31 on agreement without objections. If the director, the health care

1 provider, and the claimant shall be unable to agree on the amount, if
2 any, to be paid out of the Excess Liability Fund, the amount of
3 claimant's damages, if any, in excess of the eight ~~five~~ hundred thousand
4 dollars already paid by the insurer of the health care provider shall be
5 determined at trial.

6 (7) The court shall determine the amount for which the fund is
7 liable and render a finding and judgment accordingly. In approving a
8 settlement or determining the amount, if any, to be paid from the Excess
9 Liability Fund in such a case, the court shall consider the liability of
10 the health care provider as admitted and established by evidence.

11 (8) Any settlement approved by the court may not be appealed. Any
12 judgment of the court fixing damages recoverable in any such contested
13 proceeding shall be appealable pursuant to the rules governing appeals in
14 any other civil case.

15 Sec. 63. Section 44-3308, Reissue Revised Statutes of Nebraska, is
16 amended to read:

17 44-3308 (1) An insurer whose purposes according to its articles of
18 incorporation are restricted to transacting legal expense insurance and
19 business reasonably related thereto shall deposit with the director
20 securities eligible for deposit by an insurance company, which shall have
21 at all times a market value of not less than one hundred fifty thousand
22 dollars, or as provided by subsection (7) of this section. A deposit
23 under this section shall be held to assure the faithful performance of
24 the insurer's obligations to its policyholders or policyholders and
25 creditors.

26 (2) In lieu of any deposit of securities required under subsection
27 (1) of this section, the insurer may file with the director a surety bond
28 in the amount of one hundred fifty thousand dollars, or as provided by
29 subsection (7) of this section. The bond shall be one issued by an
30 insurance company authorized to do business in the State of Nebraska. The
31 bond shall be for the same purposes as the deposit in lieu of which it is

1 filed, and it shall be subject to the director's approval. No such bond
2 shall be canceled or subject to cancellation unless at least thirty days'
3 advance notice thereof, in writing, is filed with the director.

4 (3) Securities or bond posted by the insurer pursuant to subsection
5 (1) or (2) of this section shall be for the benefit of and subject to
6 action thereon in the event of insolvency of the insurer by any person or
7 persons sustaining an actionable injury due to the failure of the insurer
8 to faithfully perform its obligations to its policyholders or
9 policyholders and creditors.

10 (4) The State of Nebraska shall be responsible for the safekeeping
11 of all securities deposited with the director under this section. The
12 securities shall not, on account of being in this state, be subject to
13 taxation.

14 (5) The depositing insurer shall, during its solvency, have the
15 right to exchange or substitute other securities of a like quality and
16 value for securities on deposit, to receive the interest and other income
17 accruing on such securities, and to inspect the deposit at all reasonable
18 times.

19 (6) The deposit or bond shall be maintained unimpaired as long as
20 the insurer continues in business in this state. Whenever the insurer
21 ceases to do business and furnishes to the director proof satisfactory to
22 the director that the insurer adequately provided for all of its
23 obligations to its policyholders, creditors, or contract holders in this
24 state, the director shall release the deposited securities to the parties
25 entitled thereto, on presentation of the director's receipts for such
26 securities, or shall release any bond filed with it in lieu of such
27 deposit.

28 (7) The director may reduce the minimum market value of securities
29 required under subsection (1) of this section or the amount of the surety
30 bond required under subsection (2) of this section if he or she finds
31 that the reduction is justified by:

- 1 (a) The terms and number of existing contracts with subscribers;
 - 2 (b) Support by financially sound public or private organizations or
3 agencies;
 - 4 (c) Agreements with lawyers or paralegal personnel for the providing
5 of legal services;
 - 6 (d) Agreements with other persons for insuring the payment of the
7 cost of legal services or the provision for alternative coverage in the
8 event the insurer is unable to perform its obligations; or
 - 9 (e) Other reliable financial guarantees.
- 10 (8) No part of the securities or bond to be filed under this section
11 shall be supplied directly or indirectly by dues payments made for the
12 purpose of meeting requirements to practice a profession.

13 Sec. 64. Section 44-4054, Reissue Revised Statutes of Nebraska, is
14 amended to read:

15 44-4054 (1) Unless denied licensure pursuant to section 44-4059, a
16 person who has met the requirements of sections 44-4052 and 44-4053 shall
17 be issued an insurance producer license. An insurance producer may
18 receive qualification for a license in one or more of the following lines
19 of authority:

20 (a) Life insurance coverage on human lives, including benefits of
21 endowment and annuities, and may include benefits in the event of death
22 or dismemberment by accident and benefits for disability income;

23 (b) Accident and health or sickness, insurance coverage for
24 sickness, bodily injury, or accidental death and may include benefits for
25 disability income;

26 (c) Property insurance coverage for the direct or consequential loss
27 or damage to property of every kind;

28 (d) Casualty insurance coverage against legal liability, including
29 that for death, injury, or disability or damage to real or personal
30 property;

31 (e) Variable life and variable annuity products, insurance coverage

1 provided under variable life insurance contracts, and variable annuities;
2 (f) Limited line credit insurance;
3 (g) Limited line pre-need funeral insurance;
4 (h) Personal lines property and casualty insurance coverage sold to
5 individuals and families for primarily noncommercial purposes; and
6 (i) Any other line of insurance permitted under Nebraska laws,
7 rules, or regulations.

8 (2) An insurance producer license shall remain in effect unless
9 revoked or suspended if the fee set forth in section 44-4064 is paid and
10 education requirements for resident individual producers are met by the
11 due date.

12 (3) All business entity licenses issued under the Insurance
13 Producers Licensing Act shall expire on April 30 of each even-numbered
14 year, and all producers licenses shall expire on the last day of the
15 month of the producer's birthday in the first year after issuance in
16 which his or her age is divisible by two. Such producer licenses may be
17 renewed within the ninety-day period before their expiration dates.
18 Business entity and producer licenses also may be renewed within the
19 thirty-day period after their expiration dates upon payment of a late
20 renewal fee as established by the director pursuant to section 44-4064 in
21 addition to the applicable fee otherwise required for renewal of business
22 entity and producer licenses as established by the director pursuant to
23 such section. All business entity and producer licenses renewed within
24 the thirty-day period after their expiration dates pursuant to this
25 subsection shall be deemed to have been renewed before their expiration
26 dates.

27 (4) The director may establish procedures for renewal of licenses by
28 rule and regulation adopted and promulgated pursuant to the
29 Administrative Procedure Act.

30 (5) An individual insurance producer who allows his or her license
31 to lapse may, within twelve months from the due date of the renewal fee,

1 reinstate the same license without the necessity of passing a written
2 examination. Producer licenses reinstated pursuant to this subsection
3 shall be issued only after payment of a reinstatement fee as established
4 by the director pursuant to section 44-4064 in addition to the applicable
5 fee otherwise required for renewal of producer licenses as established by
6 the director pursuant to such section.

7 (6) The director may grant a licensed insurance producer who is
8 unable to comply with license renewal procedures due to military service
9 or some other extenuating circumstance, including, but not limited to, a
10 long-term medical disability, a waiver of those procedures. The director
11 may grant a producer a waiver of any examination requirement or any other
12 fine, fee, or sanction imposed for failure to comply with renewal
13 procedures.

14 (7) The license shall contain the licensee's name, address, and
15 personal identification number, the date of issuance, the lines of
16 authority, the expiration date, and any other information the director
17 deems necessary.

18 (8) Licensees shall inform the director by any means acceptable to
19 the director of a change of legal name or address within thirty days
20 after the change. Any person failing to provide such notification shall
21 be subject to a fine by the director of not more than five hundred
22 dollars per violation, suspension of the person's license until the
23 change of address is reported to the director, or both.

24 (9) The director may contract with nongovernmental entities,
25 including the National Association of Insurance Commissioners or any
26 affiliates or subsidiaries that the National Association of Insurance
27 Commissioners oversees, to perform any ministerial functions, including
28 the collection of fees, related to producer licensing that the director
29 may deem appropriate.

30 Sec. 65. Section 44-5140, Reissue Revised Statutes of Nebraska, is
31 amended to read:

1 44-5140 (1) An insurer may invest in the preferred stock of any
2 corporation which:

3 ~~(a) Has retained earnings of not less than one million dollars;~~

4 (a) ~~(b)~~ Has earned and paid regular dividends at the regular
5 prescribed rate each year upon its preferred stock, if any is or has been
6 outstanding, for not less than five years immediately preceding the
7 purchase of such preferred stock or during such part of such five-year
8 period as it has had preferred stock outstanding; and

9 (b) ~~(c)~~ Has had no material defaults in principal payments of or
10 interest on any obligations of such corporation and its subsidiaries
11 having a priority equal to or higher than those purchased during the
12 period of five years immediately preceding the date of acquisition or, if
13 outstanding for less than five years, at any time since such obligations
14 were issued.

15 The earnings of and the regular dividends paid by all predecessor,
16 merged, consolidated, or purchased corporations may be included through
17 the use of consolidated or pro forma statements.

18 (2) Except as authorized under the Insurance Holding Company System
19 Act, an insurer shall not own more than five percent of the total issued
20 shares of stock of any corporation other than an insurer.

21 (3) A life insurer's investments authorized under this section shall
22 not exceed the greater of twenty-five percent of its admitted assets or
23 one hundred percent of its policyholders surplus, nor shall a life
24 insurer's investments authorized under this section that are not rated
25 P-1 or P-2 by the Securities Valuation Office exceed ten percent of its
26 admitted assets.

27 Sec. 66. Section 44-5141, Revised Statutes Cumulative Supplement,
28 2022, is amended to read:

29 44-5141 (1) An insurer may invest in the common stock or rights to
30 purchase or sell common stock of any corporation ~~which has retained~~
31 ~~earnings of not less than one million dollars, except that an investment~~

1 ~~may be made in any corporation having a majority of its operations in~~
2 ~~this state which has retained earnings of not less than two hundred fifty~~
3 ~~thousand dollars. The earnings of all predecessor, merged, consolidated,~~
4 ~~or purchased corporations shall be included through the use of~~
5 ~~consolidated or pro forma statements.~~

6 (2)(a) An insurer may invest in equity interests or rights to
7 purchase or sell equity interests in business entities other than general
8 partnerships unless the general partnership is wholly owned by the
9 insurer.

10 (b) A life insurer shall not invest under this subsection in any
11 investment which the life insurer may invest in under section 44-5140 or
12 44-5144 or subsection (1) of this section.

13 (3) A life insurer's investments authorized under this section shall
14 not exceed the greater of one hundred percent of its policyholders
15 surplus or twenty percent of its admitted assets.

16 Sec. 67. Section 45-191.01, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 45-191.01 (1) Prior to a borrower signing a loan brokerage
19 agreement, the loan broker shall give the borrower a written disclosure
20 statement. The cover sheet of the disclosure statement shall have
21 printed, in at least ten-point boldface capital letters, the title
22 DISCLOSURES REQUIRED BY NEBRASKA LAW. The following statement, printed in
23 at least ten-point type, shall appear under the title:

24 THE STATE OF NEBRASKA HAS NOT REVIEWED AND DOES NOT APPROVE,
25 RECOMMEND, ENDORSE, OR SPONSOR ANY LOAN BROKERAGE AGREEMENT. THE
26 INFORMATION CONTAINED IN THIS DISCLOSURE DOCUMENT HAS NOT BEEN VERIFIED
27 BY THE STATE. IF YOU HAVE QUESTIONS, SEEK LEGAL ADVICE BEFORE YOU SIGN A
28 LOAN BROKERAGE AGREEMENT.

29 Only the title and the statement shall appear on the cover sheet.

30 (2) The body of the disclosure statement shall contain the following
31 information:

1 (a) The name, street address, and telephone number of the loan
2 broker, the names under which the loan broker does, has done, or intends
3 to do business, the name and street address of any parent or affiliated
4 company, and the electronic mail and Internet address of the loan broker,
5 ~~if any~~;

6 (b) A statement as to whether the loan broker does business as an
7 individual, a partnership, a corporation, or another organizational form,
8 including identification of the state of incorporation or formation;

9 (c) How long the loan broker has done business;

10 (d) The number of loan brokerage agreements the loan broker has
11 entered into in the previous twelve months;

12 (e) The number of loans the loan broker has obtained for borrowers
13 in the previous twelve months;

14 (f) A description of the services the loan broker agrees to perform
15 for the borrower;

16 (g) The conditions under which the borrower is obligated to pay the
17 loan broker. This disclosure shall be in boldface type;

18 (h) The names, titles, and principal occupations for the past five
19 years of all officers, directors, or persons occupying similar positions
20 responsible for the loan broker's business activities;

21 (i) A statement whether the loan broker or any person identified in
22 subdivision (h) of this subsection:

23 (i) Has been convicted of a felony or misdemeanor or pleaded nolo
24 contendere to a felony or misdemeanor charge if such felony or
25 misdemeanor involved fraud, embezzlement, fraudulent conversion, or
26 misappropriation of property;

27 (ii) Has been held liable in a civil action by final judgment or
28 consented to the entry of a stipulated judgment if the civil action
29 alleged fraud, embezzlement, fraudulent conversion, or misappropriation
30 of property or the use of untrue or misleading representations in an
31 attempt to sell or dispose of real or personal property or the use of

1 unfair, unlawful, or deceptive business practices; or

2 (iii) Is subject to any currently effective injunction or
3 restrictive order relating to business activity as the result of an
4 action brought by a public agency or department including, but not
5 limited to, action affecting any vocational license; and

6 (j) Any other information the director requires.

7 Sec. 68. Section 45-191.04, Reissue Revised Statutes of Nebraska, is
8 amended to read:

9 45-191.04 (1) A loan brokerage agreement shall be in writing and
10 shall be signed by the loan broker and the borrower. The loan broker
11 shall furnish the borrower a copy of such signed loan brokerage agreement
12 at the time the borrower signs it.

13 (2) The borrower has the right to cancel a loan brokerage agreement
14 for any reason at any time within five business days after the date the
15 parties sign the agreement. The loan brokerage agreement shall set forth
16 the borrower's right to cancel and the procedures to be followed when an
17 agreement is canceled.

18 (3) A loan brokerage agreement shall set forth in at least ten-point
19 type, or handwriting of at least equivalent size, the following:

20 (a) The terms and conditions of payment;

21 (b) A full and detailed description of the acts or services the loan
22 broker will undertake to perform for the borrower;

23 (c) The loan broker's principal business address, telephone number,
24 and electronic mail and Internet address, ~~if any,~~ and the name, address,
25 telephone number, and electronic mail and Internet address, if any, of
26 its agent in the State of Nebraska authorized to receive service of
27 process;

28 (d) The business form of the loan broker, whether a corporation,
29 partnership, limited liability company, or otherwise; and

30 (e) The following notice of the borrower's right to cancel the loan
31 brokerage agreement pursuant to this section:

1 "You have five business days in which you may cancel this agreement
 2 for any reason by mailing or delivering written notice to the loan
 3 broker. The five business days shall expire on (last
 4 date to mail or deliver notice), and notice of cancellation should be
 5 mailed to (loan broker's name
 6 and business street address). If you choose to mail your notice, it must
 7 be placed in the United States mail properly addressed, first-class
 8 postage prepaid, and postmarked before midnight of the above date. If you
 9 choose to deliver your notice to the loan broker directly, it must be
 10 delivered to the loan broker by the end of the normal business day on the
 11 above date. Within five business days after receipt of the notice of
 12 cancellation, the loan broker shall return to you all sums paid by you to
 13 the loan broker pursuant to this agreement."

14 The notice shall be set forth immediately above the place at which
 15 the borrower signs the loan brokerage agreement.

16 Sec. 69. Section 45-735, Reissue Revised Statutes of Nebraska, is
 17 amended to read:

18 45-735 (1) A mortgage loan originator shall be an employee or
 19 independent agent of a single licensed mortgage banker, registrant, or
 20 installment loan company that shall directly supervise, control, and
 21 maintain responsibility for the acts and omissions of the mortgage loan
 22 originator.

23 (2)(a) ~~(2)~~ A mortgage loan originator shall not engage in mortgage
 24 loan origination activities at any location that is not a main office
 25 location of a licensed mortgage banker, registrant, or installment loan
 26 company or a branch office of a licensed mortgage banker or registrant.
 27 The licensed mortgage banker, registrant, or installment loan company
 28 shall designate the location or locations at which each mortgage loan
 29 originator is originating residential mortgage loans.

30 (b) The department may adopt and promulgate rules, regulations, and
 31 orders to authorize and regulate the use of remote work arrangements

1 conducted outside of a main office location or branch office by employees
2 or agents, including mortgage loan originators, of licensed mortgage
3 bankers, registrants, or installment loan companies.

4 (3) Any licensed mortgage banker, registrant, or installment loan
5 company who engages an independent agent as a mortgage loan originator
6 shall maintain a written agency contract with such mortgage loan
7 originator. Such written agency contract shall provide that the mortgage
8 loan originator is originating loans exclusively for the licensed
9 mortgage banker, registrant, or installment loan company.

10 (4) A licensed mortgage banker, registrant, or installment loan
11 company that has hired a licensed mortgage loan originator as an employee
12 or entered into an independent agent agreement with such licensed
13 mortgage loan originator shall provide notification to the department as
14 soon as reasonably possible after entering into such relationship, along
15 with a fee of fifty dollars. The employing entity shall not allow the
16 mortgage loan originator to conduct such activity in this state prior to
17 such notification to the department and confirmation that the department
18 has received notice of the termination of the mortgage loan originator's
19 prior employment.

20 (5) A licensed mortgage banker, registrant, or installment loan
21 company shall notify the department no later than ten days after the
22 termination, whether voluntary or involuntary, of a mortgage loan
23 originator unless the mortgage loan originator has previously notified
24 the department of the termination.

25 Sec. 70. Section 45-1002, Reissue Revised Statutes of Nebraska, is
26 amended to read:

27 45-1002 (1) For purposes of the Nebraska Installment Loan Act:

28 (a) Applicant means a person applying for a license under the act;

29 (b) Breach of security of the system means unauthorized acquisition
30 of data that compromises the security, confidentiality, or integrity of
31 the information maintained by the Nationwide Mortgage Licensing System

1 and Registry, its affiliates, or its subsidiaries;

2 (c) Consumer means an individual who is a resident of Nebraska and
3 who seeks to obtain, obtains, or has obtained a loan that is to be used
4 primarily for personal, family, or household purposes;

5 (d) ~~(e)~~ Department means the Department of Banking and Finance;

6 (e) ~~(d)~~ Debt cancellation contract means a loan term or contractual
7 arrangement modifying loan terms under which a financial institution or
8 licensee agrees to cancel all or part of a borrower's obligation to repay
9 an extension of credit from the financial institution or licensee upon
10 the occurrence of a specified event. The debt cancellation contract may
11 be separate from or a part of other loan documents. The term debt
12 cancellation contract does not include loan payment deferral arrangements
13 in which the triggering event is the borrower's unilateral election to
14 defer repayment or the financial institution's or licensee's unilateral
15 decision to allow a deferral of repayment;

16 (f) ~~(e)~~ Debt suspension contract means a loan term or contractual
17 arrangement modifying loan terms under which a financial institution or
18 licensee agrees to suspend all or part of a borrower's obligation to
19 repay an extension of credit from the financial institution or licensee
20 upon the occurrence of a specified event. The debt suspension contract
21 may be separate from or a part of other loan documents. The term debt
22 suspension contract does not include loan payment deferral arrangements
23 in which the triggering event is the borrower's unilateral election to
24 defer repayment or the financial institution's or licensee's unilateral
25 decision to allow a deferral of repayment;

26 (g) ~~(f)~~ Director means the Director of Banking and Finance;

27 (h) ~~(g)~~ Financial institution has the same meaning as in section
28 8-101.03;

29 (i) ~~(h)~~ Guaranteed asset protection waiver means a waiver that is
30 offered, sold, or provided in accordance with the Guaranteed Asset
31 Protection Waiver Act;

1 (j) ~~(i)~~ Licensee means any person who obtains a license under the
2 Nebraska Installment Loan Act;

3 (k) Loan means a loan or any extension of credit to a consumer
4 originated or made with an interest rate greater than the maximum
5 interest rate allowed under section 45-101.03 and a principal balance of
6 less than twenty-five thousand dollars;

7 (1)(i) ~~(j)(i)~~ Mortgage loan originator means an individual who for
8 compensation or gain (A) takes a residential mortgage loan application or
9 (B) offers or negotiates terms of a residential mortgage loan.

10 (ii) Mortgage loan originator does not include (A) any individual
11 who is not otherwise described in subdivision (i)(A) of this subdivision
12 and who performs purely administrative or clerical tasks on behalf of a
13 person who is described in subdivision (i) of this subdivision, (B) a
14 person or entity that only performs real estate brokerage activities and
15 is licensed or registered in accordance with applicable state law, unless
16 the person or entity is compensated by a lender, a mortgage broker, or
17 other mortgage loan originator or by any agent of such lender, mortgage
18 broker, or other mortgage loan originator, or (C) a person or entity
19 solely involved in extensions of credit relating to time-share programs
20 as defined in section 76-1702;

21 (m) ~~(k)~~ Nationwide Mortgage Licensing System and Registry means a
22 licensing system developed and maintained by the Conference of State Bank
23 Supervisors and the American Association of Residential Mortgage
24 Regulators for the licensing and registration of mortgage loan
25 originators, mortgage bankers, installment loan companies, and other
26 state-regulated financial services entities and industries;

27 (n) ~~(l)~~ Person means individual, partnership, limited liability
28 company, association, financial institution, trust, corporation, and any
29 other legal entity; and

30 (o) ~~(m)~~ Real property means an owner-occupied single-family, two-
31 family, three-family, or four-family dwelling which is located in this

1 state, which is occupied, used, or intended to be occupied or used for
2 residential purposes, and which is, or is intended to be, permanently
3 affixed to the land.

4 (2) Except as provided in subsection (3) of section 45-1017 and
5 subsection (4) of section 45-1019, no revenue arising under the Nebraska
6 Installment Loan Act shall inure to any school fund of the State of
7 Nebraska or any of its governmental subdivisions.

8 ~~(3) Loan, when used in the Nebraska Installment Loan Act, does not~~
9 ~~include any loan made by a person who is not a licensee on which the~~
10 ~~interest does not exceed the maximum rate permitted by section 45-101.03.~~

11 (3) (4) Nothing in the Nebraska Installment Loan Act applies to any
12 loan made by a person who is not a licensee if the interest on the loan
13 does not exceed the maximum rate permitted by section 45-101.03.

14 Sec. 71. Section 45-1003, Reissue Revised Statutes of Nebraska, is
15 amended to read:

16 45-1003 No financial institution is eligible for a license or to
17 make loans under the Nebraska Installment Loan Act.

18 A license shall be required for any person that is not a financial
19 institution who, at or after the time a loan is made by a financial
20 institution, markets, owns in whole or in part, holds, acquires,
21 services, or otherwise participates in such loan.

22 Sec. 72. Section 45-1006, Reissue Revised Statutes of Nebraska, is
23 amended to read:

24 45-1006 (1) When an application for an original installment loan
25 license has been accepted by the director as substantially complete,
26 notice of the filing of the application shall be published by the
27 department three successive weeks in a legal newspaper published in or of
28 general circulation in the county where the applicant proposes to operate
29 the business of lending money. A public hearing shall be held on each
30 application except as provided in subsection (2) of this section. The
31 date for hearing shall not be less than thirty days after the last

1 publication. Written protest against the issuance of the license may be
2 filed with the department by any person not less than five days before
3 the date set for hearing. The director, in his or her discretion, may
4 grant a continuance. The costs of the hearing shall be paid by the
5 applicant. The director may deny any application for license after
6 hearing. The director shall, in his or her discretion, make examination
7 and inspection concerning the propriety of the issuance of a license to
8 any applicant. The cost of such examination and inspection shall be paid
9 by the applicant.

10 (2) The director may waive the hearing requirements of subsection
11 (1) of this section if (a) the applicant (i) does not originate loans
12 under the Nebraska Installment Loan Act or (ii) has held, and operated
13 under, a license to engage in the business of lending money in Nebraska
14 pursuant to the Nebraska Installment Loan Act for at least one calendar
15 year immediately prior to the filing of the application, (b) no written
16 protest against the issuance of the license has been filed with the
17 department within fifteen days after publication of a notice of the
18 filing of the application one time in a newspaper of general circulation
19 in the county where the applicant proposes to operate the business of
20 lending money, and (c) in the judgment of the director, the experience,
21 character, and general fitness of the applicant warrant the belief that
22 the applicant will comply with the Nebraska Installment Loan Act.

23 (3) The expense of any publication made pursuant to this section
24 shall be paid by the applicant.

25 Sec. 73. Section 58-201, Reissue Revised Statutes of Nebraska, is
26 amended to read:

27 58-201 Sections 58-201 to 58-272 and section 74 of this act shall be
28 known and may be cited as the Nebraska Investment Finance Authority Act.

29 Sec. 74. (1) For purposes of this section, Olmstead Plan means the
30 comprehensive strategic plan for providing services to individuals with
31 disabilities that was developed in accordance with section 81-6,122.

1 (2) In order to help fulfill one of the goals of the Olmstead Plan,
2 the authority shall use its best efforts to obtain state and federal
3 grants for the purpose of building safe, affordable, and accessible
4 housing for individuals with disabilities.

5 (3) The authority shall collaborate with the Department of Economic
6 Development and the Department of Health and Human Services in obtaining
7 such grants.

8 Sec. 75. (1) For purposes of this section, Olmstead Plan means the
9 comprehensive strategic plan for providing services to individuals with
10 disabilities that was developed in accordance with section 81-6,122.

11 (2) In order to help fulfill one of the goals of the Olmstead Plan,
12 the Department of Economic Development shall use its best efforts to
13 obtain state and federal grants for the purpose of building safe,
14 affordable, and accessible housing for individuals with disabilities.

15 (3) The Department of Economic Development shall collaborate with
16 the Nebraska Investment Finance Authority and the Department of Health
17 and Human Services in obtaining such grants. The Department of Economic
18 Development shall use its best efforts to coordinate and contract with
19 the Nebraska Investment Finance Authority to develop and administer grant
20 programs under this section.

21 Sec. 76. Section 59-1722, Revised Statutes Cumulative Supplement,
22 2022, is amended to read:

23 59-1722 (1) Any transaction involving the sale of a franchise as
24 defined in 16 C.F.R. 436.1(h), as such regulation existed on January 1,
25 2023 2022, shall be exempt from the Seller-Assisted Marketing Plan Act,
26 except that such transactions shall be subject to subdivision (1)(d) of
27 section 59-1757, those provisions regulating or prescribing the use of
28 the phrase buy-back or secured investment or similar phrases as set forth
29 in sections 59-1726 to 59-1728 and 59-1751, and all sections which
30 provide for their enforcement. The exemption shall only apply if:

31 (a) The franchise is offered and sold in compliance with the

1 requirements of 16 C.F.R. part 436, Disclosure Requirements and
2 Prohibitions Concerning Franchising, as such part existed on January 1,
3 2023 ~~2022~~;

4 (b) Before placing any advertisement in a Nebraska-based
5 publication, offering for sale to any prospective purchaser in Nebraska,
6 or making any representations in connection with such offer or sale to
7 any prospective purchaser in Nebraska, the seller files a notice with the
8 Department of Banking and Finance which contains (i) the name, address,
9 and telephone number of the seller and the name under which the seller
10 intends to do business and (ii) a brief description of the plan offered
11 by the seller; and

12 (c) The seller pays a filing fee of one hundred dollars.

13 (2) The department may request a copy of the disclosure document
14 upon receipt of a written complaint or inquiry regarding the seller or
15 upon a reasonable belief that a violation of the Seller-Assisted
16 Marketing Plan Act has occurred or may occur. The seller shall provide
17 such copy within ten business days of receipt of the request.

18 (3) All funds collected by the department under this section shall
19 be remitted to the State Treasurer for credit to the Securities Act Cash
20 Fund.

21 (4) The Director of Banking and Finance may by order deny or revoke
22 an exemption specified in this section with respect to a particular
23 offering of one or more business opportunities if the director finds that
24 such an order is in the public interest or is necessary for the
25 protection of purchasers. An order shall not be entered without
26 appropriate prior notice to all interested parties, an opportunity for
27 hearing, and written findings of fact and conclusions of law. If the
28 public interest or the protection of purchasers so requires, the director
29 may by order summarily deny or revoke an exemption specified in this
30 section pending final determination of any proceedings under this
31 section. An order under this section shall not operate retroactively.

1 Sec. 77. Section 69-2103, Revised Statutes Cumulative Supplement,
2 2022, is amended to read:

3 69-2103 For purposes of the Consumer Rental Purchase Agreement Act:

4 (1) Advertisement means a commercial message in any medium that
5 aids, promotes, or assists directly or indirectly a consumer rental
6 purchase agreement but does not include in-store merchandising aids such
7 as window signs and ceiling banners;

8 (2) Cash price means the price at which the lessor would have sold
9 the property to the consumer for cash on the date of the consumer rental
10 purchase agreement for the property;

11 (3) Consumer means a natural person who rents property under a
12 consumer rental purchase agreement;

13 (4) Consumer rental purchase agreement means an agreement which is
14 for the use of property by a consumer primarily for personal, family, or
15 household purposes, which is for an initial period of four months or
16 less, whether or not there is any obligation beyond the initial period,
17 which is automatically renewable with each payment, and which permits the
18 consumer to become the owner of the property. A consumer rental purchase
19 agreement in compliance with the act shall not be construed to be a lease
20 or agreement which constitutes a credit sale as defined in 12 C.F.R.
21 1026.2(a)(16), as such regulation existed on January 1, 2023 ~~2022~~, and 15
22 U.S.C. 1602(h), as such section existed on January 1, 2023 ~~2022~~, or a
23 lease which constitutes a consumer lease as defined in 12 C.F.R. 1013.2,
24 as such regulation existed on January 1, 2023 ~~2022~~. Consumer rental
25 purchase agreement does not include:

26 (a) Any lease for agricultural, business, or commercial purposes;

27 (b) Any lease made to an organization;

28 (c) A lease or agreement which constitutes an installment sale or
29 installment contract as defined in section 45-335;

30 (d) A security interest as defined in subdivision (35) of section
31 1-201, Uniform Commercial Code; and

1 (e) A home solicitation sale as defined in section 69-1601;

2 (5) Consummation means the occurrence of an event which causes a
3 consumer to become contractually obligated on a consumer rental purchase
4 agreement;

5 (6) Department means the Department of Banking and Finance;

6 (7) Lease payment means a payment to be made by the consumer for the
7 right of possession and use of the property for a specific lease period
8 but does not include taxes imposed on such payment;

9 (8) Lease period means a week, month, or other specific period of
10 time, during which the consumer has the right to possess and use the
11 property after paying the lease payment and applicable taxes for such
12 period;

13 (9) Lessor means a person who in the ordinary course of business
14 operates a commercial outlet which regularly leases, offers to lease, or
15 arranges for the leasing of property under a consumer rental purchase
16 agreement;

17 (10) Property means any property that is not real property under the
18 laws of this state when made available for a consumer rental purchase
19 agreement; and

20 (11) Total of payments to acquire ownership means the total of all
21 charges imposed by the lessor and payable by the consumer as a condition
22 of acquiring ownership of the property. Total of payments to acquire
23 ownership includes lease payments and any initial nonrefundable
24 administrative fee or required delivery charge but does not include
25 taxes, late charges, reinstatement fees, or charges for optional products
26 or services.

27 Sec. 78. Section 69-2104, Revised Statutes Cumulative Supplement,
28 2022, is amended to read:

29 69-2104 (1) Before entering into any consumer rental purchase
30 agreement, the lessor shall disclose to the consumer the following items
31 as applicable:

1 (a) A brief description of the leased property sufficient to
2 identify the property to the consumer and lessor;

3 (b) The number, amount, and timing of all payments included in the
4 total of payments to acquire ownership;

5 (c) The total of payments to acquire ownership;

6 (d) A statement that the consumer will not own the property until
7 the consumer has paid the total of payments to acquire ownership plus
8 applicable taxes;

9 (e) A statement that the total of payments to acquire ownership does
10 not include other charges such as taxes, late charges, reinstatement
11 fees, or charges for optional products or services the consumer may have
12 elected to purchase and that the consumer should see the rental purchase
13 agreement for an explanation of these charges;

14 (f) A statement that the consumer is responsible for the fair market
15 value, remaining rent, early purchase option amount, or cost of repair of
16 the property, whichever is less, if it is lost, stolen, damaged, or
17 destroyed;

18 (g) A statement indicating whether the property is new or used. A
19 statement that indicates that new property is used shall not be a
20 violation of the Consumer Rental Purchase Agreement Act;

21 (h) A statement of the cash price of the property. When the
22 agreement involves a lease for two or more items, a statement of the
23 aggregate cash price of all items shall satisfy the requirement of this
24 subdivision;

25 (i) The total amount of the initial payments required to be paid
26 before consummation of the agreement or delivery of the property,
27 whichever occurs later, and an itemization of the components of the
28 initial payment, including any initial nonrefundable administrative fee
29 or delivery charge, lease payment, taxes, or fee or charge for optional
30 products or services;

31 (j) A statement clearly summarizing the terms of the consumer's

1 options to purchase, including a statement that at any time after the
2 first periodic payment is made the consumer may acquire ownership of the
3 property by tendering an amount which may not exceed fifty-five percent
4 of the difference between the total of payments to acquire ownership and
5 the total of lease payments the consumer has paid on the property at that
6 time;

7 (k) A statement identifying the party responsible for maintaining or
8 servicing the property while it is being leased, together with a
9 description of that responsibility and a statement that if any part of a
10 manufacturer's warranty covers the leased property at the time the
11 consumer acquires ownership of the property, such warranty shall be
12 transferred to the consumer if allowed by the terms of the warranty; and

13 (1) The date of the transaction and the names of the lessor and the
14 consumer.

15 (2) With respect to matters specifically governed by the federal
16 Consumer Credit Protection Act, 15 U.S.C. 1601 et seq., as such act
17 existed on January 1, 2023 ~~2022~~, compliance with such act shall satisfy
18 the requirements of this section.

19 (3) Subsection (1) of this section shall not apply to a lessor who
20 complies with the disclosure requirements of the federal Consumer Credit
21 Protection Act, 15 U.S.C. 1667a, as such section existed on January 1,
22 2023 ~~2022~~, with respect to a consumer rental purchase agreement entered
23 into with a consumer.

24 Sec. 79. Section 69-2112, Revised Statutes Cumulative Supplement,
25 2022, is amended to read:

26 69-2112 (1) Any advertisement for a consumer rental purchase
27 agreement which refers to or states the amount of any payment or the
28 right to acquire ownership for any specific item shall also state clearly
29 and conspicuously the following if applicable:

30 (a) That the transaction advertised is a consumer rental purchase
31 agreement;

1 (b) The total of payments to acquire ownership; and

2 (c) That the consumer acquires no ownership rights until the total
3 of payments to acquire ownership is paid.

4 (2) Any owner or employee of any medium in which an advertisement
5 appears or through which it is disseminated shall not be liable under
6 this section.

7 (3) Subsection (1) of this section shall not apply to an
8 advertisement which does not refer to a specific item of property, which
9 does not refer to or state the amount of any payment, or which is
10 published in the yellow pages of a telephone directory or any similar
11 directory of business.

12 (4) With respect to matters specifically governed by the federal
13 Consumer Credit Protection Act, 15 U.S.C. 1601 et seq., as such act
14 existed on January 1, 2023 ~~2022~~, compliance with such act shall satisfy
15 the requirements of this section.

16 Sec. 80. Section 76-1007, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 76-1007 (1) The trustee or the attorney for the trustee shall give
19 written notice of the time and place of sale particularly describing the
20 property to be sold by publication of such notice, at least five times,
21 once a week for five consecutive weeks, the last publication to be at
22 least ten days but not more than thirty days prior to the sale, in some
23 newspaper having a general circulation in each county in which the
24 property to be sold, or some part thereof, is situated.

25 (2) The sale shall be held at the time and place designated in the
26 notice of sale which shall be between the hours of nine a.m. and five
27 p.m. and at (a) the premises, ~~(b) or at~~ the courthouse of the county in
28 which the property to be sold, or some part thereof, is situated, or (c)
29 a public building wherein one or more county offices are located within
30 the county in which the property to be sold, or some part thereof, is
31 situated.

1 (3) The notice of sale shall be sufficient if made in substantially
2 the following form:

3 Notice of Trustee's Sale

4 The following described property will be sold at public auction to
5 the highest bidder at the door of the county courthouse
6 in, County of, Nebraska, on,
7 20.... .

8 (Name of Trustee)

9 Sec. 81. Section 77-6801, Revised Statutes Cumulative Supplement,
10 2022, is amended to read:

11 77-6801 Sections 77-6801 to 77-6843 and sections 82 to 84 of this
12 act shall be known and may be cited as the Imagine Nebraska Act.

13 Sec. 82. (1) It is the intent of the Legislature that an
14 application made by a taxpayer that is a Nebraska-based covered entity as
15 defined in 15 U.S.C. 4651 under the Creating Helpful Incentives to
16 Produce Semiconductors (CHIPS) for America Act, Public Law 116-283, be
17 approved upon receipt if:

18 (a) The taxpayer's application contains the items listed in
19 subsection (2) of section 77-6827; and

20 (b) The taxpayer's application meets the federal eligibility
21 requirements of the Creating Helpful Incentives to Produce Semiconductors
22 (CHIPS) for America Act, Public Law 116-283.

23 (2) Not more than thirty days after receipt and approval of an
24 application under subsection (1) of this section, the director shall
25 issue to such taxpayer a written agreement conforming to the requirements
26 of section 77-6828 and sections 83 and 84 of this act.

27 Sec. 83. (1) An agreement issued pursuant to section 82 of this act
28 shall contain total incentives, refunds, and credits earned through the
29 Imagine Nebraska Act sufficient to equal twenty-five percent of the
30 taxpayer's investment in qualified property for the fabrication,
31 assembly, testing, advanced packaging, or production of semiconductors or

1 technologies with extensive microelectronic content. The director shall
2 ensure that such agreement creates no additional obligation upon the
3 General Fund.

4 (2) With respect to an application or agreement with a taxpayer that
5 is a Nebraska-based covered entity as defined in 15 U.S.C. 4651 under the
6 Creating Helpful Incentives to Produce Semiconductors (CHIPS) for America
7 Act, Public Law 116-283:

8 (a) The provisions of section 77-6839 shall not apply, except that
9 the annual credits and incentives redeemed by the taxpayer may be limited
10 to one-fifteenth of the total credits and incentives eligible to be
11 earned during a fifteen-year performance period, as defined by section
12 77-6816; and

13 (b) The taxpayer may not carryover earned but unused incentives past
14 the performance period.

15 Sec. 84. A taxpayer that is also a Nebraska-based covered entity as
16 described in 15 U.S.C. 4651 that qualifies under the Creating Helpful
17 Incentives to Produce Semiconductors (CHIPS) for America Act, Public Law
18 116-283, may use earned incentives or credits under the Imagine Nebraska
19 Act:

20 (1) To obtain a refund from the state equal to the amount that the
21 taxpayer demonstrates to the director was paid by the taxpayer after the
22 date of the complete application to repay the principal or interest on
23 revenue bonds issued by an inland port authority pursuant to section
24 13-3308;

25 (2) To provide financial assistance to public and private sector
26 initiatives that are intended to improve Nebraska's ability to attract
27 microelectronic-based enterprises, especially those incentivized under
28 the Creating Helpful Incentives to Produce Semiconductors (CHIPS) for
29 America Act, Public Law 116-283, by making necessary investments in the
30 semiconductor industry and technologies with extensive microelectronic
31 content, including, but not limited to, grants for the establishment of

1 private sector entities for such purposes within eligible economically
2 disadvantaged areas in Nebraska, as set forth in section 9902(a)(2)(B) of
3 the Creating Helpful Incentives to Produce Semiconductors (CHIPS) for
4 America Act, Public Law 116-283;

5 (3) To provide financial assistance to a community college located
6 in a city of the metropolitan class working in collaboration with private
7 sector partners and any interested university, college, other community
8 college, and technical school located in this state to support education
9 expansion and curricula development in order to meet the needs of the
10 domestic semiconductor workforce in Nebraska as set forth in section
11 9902(a)(2)(B) of the Creating Helpful Incentives to Produce
12 Semiconductors (CHIPS) for America Act, Public Law 116-283; and

13 (4) For any other eligible use authorized pursuant to the Imagine
14 Nebraska Act.

15 Sec. 85. Section 4A-108, Uniform Commercial Code, Revised Statutes
16 Cumulative Supplement, 2022, is amended to read:

17 4A-108 Relationship to federal Electronic Fund Transfer Act.

18 (a) Except as provided in subsection (b), this article does not
19 apply to a funds transfer any part of which is governed by the federal
20 Electronic Fund Transfer Act, 15 U.S.C. 1693 et seq., as such act existed
21 on January 1, 2023 ~~2022~~.

22 (b) This article applies to a funds transfer that is a remittance
23 transfer as defined in the federal Electronic Fund Transfer Act, 15
24 U.S.C. 1693o-1, as such section existed on January 1, 2023 ~~2022~~, unless
25 the remittance transfer is an electronic fund transfer as defined in the
26 federal Electronic Fund Transfer Act, 15 U.S.C. 1693a, as such section
27 existed on January 1, 2023 ~~2022~~.

28 (c) In a funds transfer to which this article applies, in the event
29 of an inconsistency between an applicable provision of this article and
30 an applicable provision of the federal Electronic Fund Transfer Act, the
31 provision of the federal Electronic Fund Transfer Act governs to the

1 extent of the inconsistency.

2 Sec. 86. (1) Except as provided in subsection (3) of this section,
3 beginning January 1, 2024, and notwithstanding section 44-3,131, (a) any
4 individual or group sickness and accident insurance policy or subscriber
5 contract delivered, issued for delivery, or renewed in this state and any
6 hospital, medical, or surgical expense-incurred policy, except for
7 policies that provide coverage for a specified disease or other limited-
8 benefit coverage, and (b) any self-funded employee benefit plan to the
9 extent not preempted by federal law, which provides reimbursement for
10 prescription insulin drugs shall limit the total amount that a covered
11 individual is required to pay for each covered prescription insulin drug
12 on the policy's, contract's, or plan's lowest brand or generic tier to a
13 maximum of thirty-five dollars per thirty-day supply of insulin,
14 regardless of the amount needed.

15 (2) Nothing in this section prevents a policy, contract, or plan
16 from reducing the total amount that a covered individual is required to
17 pay for each covered prescription insulin drug to an amount less than the
18 maximum specified in subsection (1) of this section.

19 (3) If, due to a national shortage of an insulin drug, a covered
20 individual cannot access a covered prescription insulin drug on the
21 lowest brand or generic tier of the policy, contract, or plan, the
22 policy, contract, or plan shall ensure access to an insulin drug at a
23 maximum of thirty-five dollars per thirty-day supply, until such time
24 that the national shortage ends to prevent disruptions in patient access
25 to insulin.

26 (4) For purposes of this section, prescription insulin drug means a
27 prescription drug that contains insulin and is used to treat diabetes.

28 Sec. 87. (1) For purposes of this section:

29 (a) Health benefit plan means a policy, a contract, a certificate,
30 or an agreement entered into, offered by, or issued by an insurer to
31 provide, deliver, arrange for, pay for, or reimburse any of the costs of

1 health care services, including a vision or dental benefit plan. Health
2 benefit plan shall not include any coverage pursuant to a liability
3 insurance policy, including medical payments insurance issued as a
4 supplement to a liability insurance policy, or a workers' compensation
5 insurance policy; and

6 (b) Plan sponsor means:

7 (i) In the case of a health benefit plan established or maintained
8 by a single employer, the employer;

9 (ii) In the case of a health benefit plan established or maintained
10 by an employee organization, the employee organization; or

11 (iii) In the case of a health benefit plan established or maintained
12 by two or more employers or jointly by one or more employers and one or
13 more employee organizations, the association, committee, joint board of
14 trustees, or other similar group of representatives of the parties who
15 establish or maintain the benefit plan.

16 (2) The plan sponsor of a health benefit plan may, on behalf of
17 covered persons in the plan, provide the consent to the delivery of all
18 communications related to the plan by electronic means and to the
19 electronic delivery of any health insurance identification card if,
20 before consenting on behalf of a covered person, a plan sponsor:

21 (a) Confirms that the covered person routinely uses electronic
22 communications during the normal course of employment;

23 (b) Provides the covered person an opportunity to opt out of
24 delivery by electronic means; and

25 (c) Follows all federal and state laws relating to the electronic
26 delivery of such information or documents.

27 Sec. 88. Sections 88 to 97 of this act shall be known and may be
28 cited as the Insurance Regulatory Sandbox Act.

29 Sec. 89. The purpose of the Insurance Regulatory Sandbox Act is to
30 create a regulatory sandbox program under the Department of Insurance
31 which allows a participant to temporarily test innovative insurance

1 products or services on a limited basis without otherwise being licensed
2 or authorized to act under the laws of the state.

3 Sec. 90. For purposes of the Insurance Regulatory Sandbox Act:

4 (1) Applicable agency means a department or agency of the state
5 that, by law, regulates certain types of insurance-related business
6 activity in the state and persons engaged in such insurance-related
7 business activity. This includes the issuance of licenses or any other
8 types of authorization which the department determines would otherwise
9 regulate a sandbox participant;

10 (2) Applicant means an individual or entity that is applying to
11 participate in the regulatory sandbox;

12 (3) Consumer means a person that purchases or otherwise enters into
13 a transaction agreement to receive an innovative insurance product or
14 service that is being tested by a sandbox participant;

15 (4) Department means the Department of Insurance;

16 (5) Innovation means the use or incorporation of a new or emerging
17 technology or a new use of existing technology, including blockchain
18 technology, to address a problem, provide a benefit, or otherwise offer a
19 product, service, business model, or delivery mechanism that is not known
20 by the department to have a comparable widespread offering in the state;

21 (6) Innovative insurance product or service means an insurance
22 product or service that includes an innovation;

23 (7) Insurance product or service means an insurance-related product
24 or service that requires state licensure, registration, or other
25 authorization as regulated by state law, including any insurance-specific
26 business model, delivery mechanism, or element that requires a license,
27 registration, or other authorization;

28 (8) Regulatory sandbox means the program created in section 91 of
29 this act which allows a person to temporarily test an innovative
30 insurance product or service on a limited basis without otherwise being
31 licensed or authorized to act under the laws of the state;

1 (9) Sandbox participant means a person whose application to
2 participate in the regulatory sandbox is approved in accordance with the
3 Insurance Regulatory Sandbox Act; and

4 (10) Test means to provide an innovative insurance product or
5 service in accordance with the Insurance Regulatory Sandbox Act.

6 Sec. 91. (1) The department shall create and administer a
7 regulatory sandbox program that enables a person to obtain limited access
8 to the market in the state to test an innovative insurance product or
9 service without obtaining a license or without regard to other provisions
10 of Chapter 44 or rules and regulations adopted and promulgated by the
11 department which may be applicable, as determined by the department.

12 (2) In administering the regulatory sandbox, the department:

13 (a) Shall consult with each applicable agency;

14 (b) May enter into agreements with or follow the best practices of
15 the Consumer Financial Protection Bureau or other states that are
16 administering similar programs; and

17 (c) May not approve participation in the regulatory sandbox by an
18 applicant or any other participant who has been convicted of, or pled
19 guilty or nolo contendere to, a serious crime:

20 (i) Involving theft, fraud, or dishonesty; or

21 (ii) That bears a substantial relationship to the applicant's or
22 participant's ability to safely or competently participate in the
23 regulatory sandbox.

24 (3) An applicant for the regulatory sandbox shall submit an
25 application to the department in a form and manner prescribed by the
26 department. The application shall:

27 (a) Include a nonrefundable application fee of two hundred fifty
28 dollars;

29 (b) Demonstrate the applicant is subject to the jurisdiction of the
30 state;

31 (c) Demonstrate the applicant has established a physical or virtual

1 location that is adequately accessible to the department from which
2 testing will be developed and performed and where all required records,
3 documents, and data will be maintained;

4 (d) Contain relevant personal and contact information for the
5 application, including legal names, addresses, telephone numbers, email
6 addresses, website addresses, and other information required by the
7 department;

8 (e) Disclose any criminal conviction of the applicant or officers,
9 directors, or other participating personnel, if any;

10 (f) Demonstrate that the applicant has the necessary personnel,
11 financial and technical expertise, access to capital, and developed plans
12 to test, monitor, and assess the innovative insurance product or service;

13 (g) Contain a description of the innovative insurance product or
14 service to be tested, including statements regarding the following:

15 (i) How the innovative insurance product or service is subject to
16 licensing or other authorization requirements outside of the regulatory
17 sandbox, including a specific list of all state laws, regulations, and
18 licensing or other requirements that the applicant is seeking to have
19 waived during the testing period;

20 (ii) How the innovative insurance product or service would benefit
21 consumers;

22 (iii) How the innovative insurance product or service is different
23 from other insurance products or services available in the state;

24 (iv) What risks may confront consumers that use or purchase the
25 innovative insurance product or service;

26 (v) How participating in the regulatory sandbox would enable a
27 successful test of the innovative insurance product or service;

28 (vi) A description of how the applicant will perform ongoing duties
29 after the test; and

30 (vii) How the applicant will end the test and protect consumers if
31 the test fails, including providing evidence of sufficient liability

1 coverage and financial reserves to protect consumers and to protect
2 against insolvency by the applicant; and

3 (h) Provide any other required information as determined by the
4 department.

5 (4) An applicant shall file a separate application for each
6 innovative insurance product or service the applicant wants to test.

7 (5) The following items shall not be waived as part of any
8 applicant's participation in the regulatory sandbox:

9 (a) Laws and regulations not under the jurisdiction of the Director
10 of Insurance;

11 (b) Any law or regulation required for the department to maintain
12 accreditation by the National Association of Insurance Commissioners;

13 (c) Laws regarding minimum paid-in capital or surplus required to be
14 possessed or maintained by an insurer or product reserving laws;

15 (d) The Unfair Insurance Trade Practices Act and the Unfair
16 Insurance Claims Settlement Practices Act;

17 (e) Any requirement for insurance producers to be licensed; and

18 (f) The application of any taxes or fees.

19 (6) After an application is filed and before approving the
20 application, the department may seek any additional information from the
21 applicant that the department determines is necessary.

22 (7) Subject to subsection (8) of this section, not later than ninety
23 days after the day on which a complete application is received by the
24 department, the department shall inform the applicant as to whether the
25 application is approved for entry into the regulatory sandbox.

26 (8) The department and an applicant may mutually agree to extend the
27 ninety-day timeline described in subsection (7) of this section.

28 (9) In reviewing an application under this section, the department
29 shall consult with, and get approval from, each applicable agency before
30 admitting an applicant into the regulatory sandbox. The consultation with
31 an applicable agency may include seeking information about:

1 (a) Whether the applicable agency has previously issued a license or
2 other authorization to the applicant;

3 (b) Whether the applicable agency has previously investigated,
4 sanctioned, or pursued legal action against the applicant;

5 (c) Whether the applicant could obtain a license or other
6 authorization from the applicable agency after exiting the regulatory
7 sandbox; and

8 (d) Whether certain licensure or other regulations should not be
9 waived even if the applicant is accepted into the regulatory sandbox.

10 (10) In reviewing an application under this section, the department
11 shall also consider whether a competitor to the applicant is or has been
12 a sandbox participant and weigh that as a factor in determining whether
13 to allow the applicant to also become a sandbox participant.

14 (11) If the department and each applicable agency approve admitting
15 an applicant into the regulatory sandbox, an applicant may become a
16 sandbox participant. Applicants that become sandbox participants shall
17 incur a participation fee set by the department. The participation fee
18 shall be commensurate with the costs incurred by the department in
19 administering the applicant's participation in the regulatory sandbox.
20 Participation fees shall be dependent on factors such as the size of the
21 applicant and the number of customers the applicant may have, but shall
22 be set at a reasonable amount to encourage participation in the
23 regulatory sandbox.

24 (12) The department may enter into agreements with other states that
25 have enacted laws that are substantially similar to the Insurance
26 Regulatory Sandbox Act in order to advance the purposes of the act and to
27 facilitate the consideration of applications for participation in the
28 regulatory sandbox from persons that have satisfied the requirements of
29 this section and received approval for participation in similar programs
30 in other states.

31 (13) The department may deny any application submitted under this

1 section, for any reason, at the department's discretion.

2 (14) If the department denies an application submitted under this
3 section, the department shall provide to the applicant a written
4 description of the reasons for the denial.

5 (15) Documents, materials, and other information in the possession
6 or control of the Director of Insurance that are obtained by, created by,
7 or disclosed to the director or any other person under the Insurance
8 Regulatory Sandbox Act are recognized by this state as being proprietary
9 and to contain trade secrets. All such documents, materials, and other
10 information shall be confidential by law and privileged, shall not be a
11 public record subject to disclosure by the director pursuant to sections
12 84-712 to 84-712.09, shall not be subject to subpoena, and shall not be
13 subject to discovery or admissible in evidence in any private civil
14 action. The director may use the documents, materials, and other
15 information in the furtherance of any regulatory or legal action brought
16 as a part of the director's official duties. The director shall not
17 otherwise make the documents, materials, and other information public
18 without the prior written consent of the applicant. In order to assist in
19 the performance of the director's regulatory duties, the director:

20 (a) May, upon request, share documents, materials, and other
21 information that are obtained by, created by, or disclosed to the
22 director or any other person under the Insurance Regulatory Sandbox Act,
23 including the confidential and privileged documents, materials, and other
24 information subject to this subsection, with other state, federal, and
25 international financial regulatory agencies, including members of any
26 supervisory college under section 44-2137.01, with the National
27 Association of Insurance Commissioners, and with any third-party
28 consultants designated by the director, if the recipient agrees in
29 writing to maintain the confidentiality and privileged status of the
30 documents, materials, and other information and has verified in writing
31 the legal authority to maintain confidentiality; and

1 (b) May receive documents, materials, and other information,
2 including otherwise confidential and privileged documents, materials, and
3 other information, from regulatory officials of other foreign or domestic
4 jurisdictions that have enacted laws substantially similar to the
5 Insurance Regulatory Sandbox Act, including members of any supervisory
6 college under section 44-2137.01 and from the National Association of
7 Insurance Commissioners, and shall maintain as confidential or privileged
8 any documents, materials, or other information received with notice or
9 the understanding that it is confidential or privileged under the laws of
10 the jurisdiction that is the source of the document, material, or other
11 information.

12 (16) The department shall not accept any applications for the
13 regulatory sandbox after June 30, 2034.

14 Sec. 92. (1) If the department approves an application under
15 section 91 of this act, the sandbox participant has twelve months after
16 the day on which the application was approved to test the innovative
17 insurance product or service described in the sandbox participant's
18 application.

19 (2) A sandbox participant testing an innovative insurance product or
20 service within the regulatory sandbox is subject to the following:

21 (a) Consumers shall be residents of this state;

22 (b) The department may, on a case-by-case basis, specify the maximum
23 number of consumers that may enter into an agreement with the sandbox
24 participant to use the innovative insurance product or service; and

25 (c) The department may, on a case-by-case basis, specify the maximum
26 number of innovative insurance products or services that may be offered
27 by a sandbox participant during the test of such product or service.

28 (3) If a sandbox participant is accepted into the regulatory
29 sandbox, the department shall notify other businesses in the industry
30 that a regulatory waiver was granted in order to afford other businesses
31 the opportunity to apply for the same regulatory waiver if they so

1 choose.

2 (4) This section does not restrict a sandbox participant who holds a
3 license or other authorization in another jurisdiction from acting in
4 accordance with that license or other authorization.

5 (5) A sandbox participant is deemed to possess an appropriate
6 license under the laws of the state for the purposes of any provision of
7 federal law requiring state licensure or authorization.

8 (6) A sandbox participant that is testing an innovative insurance
9 product or service is not subject to state laws, regulations, licensing
10 requirements, or authorization requirements that were identified by the
11 sandbox participant's application and have been waived in writing by the
12 department.

13 (7) Notwithstanding any other provision of the Insurance Regulatory
14 Sandbox Act, a sandbox participant does not have immunity related to any
15 criminal offense committed during the sandbox participant's participation
16 in the regulatory sandbox.

17 (8) By written notice, the department may end a sandbox
18 participant's participation in the regulatory sandbox at any time and for
19 any reason, including if the department determines a sandbox participant
20 is not operating in good faith to bring an innovative insurance product
21 or service to market.

22 (9) The department and the department's employees are not liable for
23 any business losses or the recouping of application expenses related to
24 the regulatory sandbox, including for:

25 (a) Denying an applicant's application to participate in the
26 regulatory sandbox for any reason; or

27 (b) Ending a sandbox participant's participation in the regulatory
28 sandbox at any time and for any reason.

29 (10) No guaranty association in the state may be held liable for
30 business losses or liabilities incurred as a result of activities
31 undertaken by a sandbox participant while participating in the regulatory

1 sandbox.

2 Sec. 93. (1) Prior to the sale of an innovative insurance product
3 or service to a consumer, the sandbox participant shall disclose the
4 following to the consumer in a clear and conspicuous format in English
5 and Spanish:

6 (a) The name and contact information of the sandbox participant;

7 (b) That the innovative insurance product or service is authorized
8 pursuant to the Insurance Regulatory Sandbox Act for a temporary period
9 of one year with a possible extension of one additional year, but for no
10 more than two years;

11 (c) Any risk to the consumer associated with the purchase of the
12 innovative insurance product or service;

13 (d) That neither the State of Nebraska nor the Department of
14 Insurance recommends the innovative insurance product or service and that
15 neither the state nor the department is subject to any liability for
16 losses or damages caused by such product or service;

17 (e) That the consumer may contact the Department of Insurance to
18 file a complaint regarding the innovative insurance product or service.
19 Contact information for the Department of Insurance shall also be
20 provided;

21 (f) That state insurance insolvency guaranty funds are not available
22 for the innovative insurance product or service; and

23 (g) Any other statements or additional disclosures that may be
24 required by the Department of Insurance.

25 (2) The disclosures required by subsection (1) of this section shall
26 be provided to consumers through a written disclosure statement. Sandbox
27 participants shall keep a signed copy of the disclosure statement on file
28 and be able to produce the statement for the department upon request.

29 (3) Sandbox participants shall also note on any websites, social
30 media postings, advertisements, and promotional materials of any kind all
31 potential risks for consumers associated with the purchase of the

1 innovative insurance product or service.

2 Sec. 94. (1) At least thirty days before the end of the twelve-
3 month regulatory sandbox testing period, a sandbox participant shall:

4 (a) Notify the department that the sandbox participant will exit the
5 regulatory sandbox, discontinue the sandbox participant's test, and stop
6 offering any innovative insurance product or service in the regulatory
7 sandbox within sixty days after the day on which the twelve-month testing
8 period ends; or

9 (b) Seek an extension in accordance with section 95 of this act.

10 (2) Subject to subsection (3) of this section, if the department
11 does not receive notification as required by subsection (1) of this
12 section, the regulatory sandbox testing period ends at the end of the
13 twelve-month testing period and the sandbox participant shall immediately
14 stop offering each innovative insurance product or service being tested.

15 (3) If a test includes offering an innovative insurance product or
16 service that requires ongoing duties, the sandbox participant shall
17 continue to fulfill those duties or arrange for another person to fulfill
18 those duties after the date on which the sandbox participant exits the
19 regulatory sandbox.

20 Sec. 95. (1) Not later than thirty days before the end of the
21 twelve-month regulatory sandbox testing period, a sandbox participant may
22 request an extension of the regulatory sandbox testing period for the
23 purpose of obtaining a license or other authorization.

24 (2) The department shall grant or deny a request for an extension by
25 the end of the twelve-month regulatory sandbox testing period.

26 (3) The department may grant one extension in accordance with this
27 section for not more than twelve months after the end of the regulatory
28 sandbox testing period.

29 (4) A sandbox participant that obtains an extension in accordance
30 with this section shall provide the department with a written report
31 every three months that provides an update on efforts to obtain a license

1 or other authorization required by law, including any applications
2 submitted for licensure or other authorization, rejected applications, or
3 issued licenses or other authorizations.

4 Sec. 96. (1) A sandbox participant shall retain records, documents,
5 and data produced in the ordinary course of business regarding an
6 innovative insurance product or service tested in the regulatory sandbox.

7 (2) If an innovative insurance product or service fails before the
8 end of a testing period, the sandbox participant shall notify the
9 department and report on actions taken by the sandbox participant to
10 ensure consumers have not been harmed as a result of the failure.

11 (3) The department shall establish quarterly reporting requirements
12 for a sandbox participant, including information about any customer
13 complaints.

14 (4) The department may request records, documents, and data from a
15 sandbox participant and, upon the department's request, a sandbox
16 participant shall make such records, documents, and data available for
17 inspection by the department.

18 (5) If the department determines that a sandbox participant has
19 engaged in, is engaging in, or is about to engage in any practice or
20 transaction that is in violation of Chapter 44, the department may remove
21 a sandbox participant from the regulatory sandbox. If the department
22 determines that the practice or transaction is in violation of state or
23 federal criminal law, the department shall remove the sandbox participant
24 from the regulatory sandbox.

25 (6) The department shall provide a written report upon request by a
26 member of the Legislature that provides information regarding each
27 sandbox participant and that provides recommendations regarding the
28 effectiveness of the Insurance Regulatory Sandbox Act.

29 Sec. 97. The department may adopt and promulgate rules and
30 regulations to carry out the Insurance Regulatory Sandbox Act.

31 Sec. 98. The Revisor of Statutes shall assign section 75 of this

1 act to Chapter 81, article 12.

2 Sec. 99. Sections 54 and 103 of this act become operative on
3 January 1, 2024. Sections 64 and 104 of this act become operative on
4 April 30, 2024. Sections 57, 58, 59, 60, 61, 62, and 105 of this act
5 become operative on January 1, 2025. Sections 42, 43, 44, 45, 46, 47, 48,
6 49, 51, 52, 53, 55, 56, 63, 65, 66, 73, 74, 75, 86, 87, 88, 89, 90, 91,
7 92, 93, 94, 95, 96, 97, and 102 of this act become operative three
8 calendar months after the adjournment of this legislative session. The
9 other sections of this act become operative on their effective date.

10 Sec. 100. If any section in this act or any part of any section is
11 declared invalid or unconstitutional, the declaration shall not affect
12 the validity or constitutionality of the remaining portions.

13 Sec. 101. Original sections 8-101.03, 8-102, 8-115, 8-135, 8-141,
14 8-143.01, 8-157.01, 8-183.04, 8-1,140, 8-318, 8-355, 8-602, 8-1101,
15 8-1101.01, 8-1704, 8-1707, 8-2724, 8-2903, 8-3002, 8-3003, 8-3004,
16 8-3005, 8-3007, 8-3008, 8-3011, 8-3012, 8-3013, 8-3014, 8-3015, 8-3016,
17 8-3017, 8-3018, 8-3019, 8-3020, 8-3021, 8-3022, 8-3023, 8-3025, 8-3026,
18 8-3028, 8-3030, 21-17,115, 45-191.01, 45-191.04, 45-735, 45-1002,
19 45-1003, 45-1006, and 76-1007, Reissue Revised Statutes of Nebraska,
20 sections 59-1722, 69-2103, 69-2104, 69-2112, and 77-6801, Revised
21 Statutes Cumulative Supplement, 2022, and section 4A-108, Uniform
22 Commercial Code, Revised Statutes Cumulative Supplement, 2022, are
23 repealed.

24 Sec. 102. Original sections 10-110, 10-402, 10-403, 10-405, 10-507,
25 10-711, 10-804, 13-509, 44-319.02, 44-319.03, 44-319.06, 44-1993,
26 44-3308, 44-5140, and 58-201, Reissue Revised Statutes of Nebraska, and
27 sections 44-7,102 and 44-5141, Revised Statutes Cumulative Supplement,
28 2022, are repealed.

29 Sec. 103. Original section 44-785, Reissue Revised Statutes of
30 Nebraska, is repealed.

31 Sec. 104. Original section 44-4054, Reissue Revised Statutes of

1 Nebraska, is repealed.

2 Sec. 105. Original sections 44-2824, 44-2825, 44-2827, 44-2831.01,
3 44-2832, and 44-2833, Reissue Revised Statutes of Nebraska, are repealed.

4 Sec. 106. Since an emergency exists, this act takes effect when
5 passed and approved according to law.