

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 730

Introduced by Holdcroft, 36; Brewer, 43; Clements, 2; Halloran, 33;
Hardin, 48; Ibach, 44; Kauth, 31; Linehan, 39; Lippincott,
34; Riepe, 12.

Read first time January 18, 2023

Committee: Banking, Commerce and Insurance

- 1 A BILL FOR AN ACT relating to financial institutions; to adopt the Fair
- 2 Access to Financial Services Act.
- 3 Be it enacted by the people of the State of Nebraska,

1 Section 1. Sections 1 to 5 of this act shall be known and may be
2 cited as the Fair Access to Financial Services Act.

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

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

16 (1) Financial institution includes any bank, savings bank, savings
17 and loan association, building and loan association, trust company,
18 mortgage provider, credit union organized under the laws of this state or
19 organized under the laws of the United States to do business in this
20 state, money transmitter or other nondepository service provider, and
21 insurance company registered pursuant to the insurance laws of the state.

22 Financial institution also includes any other institution that holds and
23 receives deposits, savings, or share accounts, issues certificates of
24 deposit, or provides to its customers any deposit accounts subject to
25 withdrawal by check, instrument, order, or electronic means to effect
26 third-party payments, provides insurance services, or provides investment
27 services;

28 (2) Financial service means a financial product or service; and

29 (3) Person means any natural person, partnership, corporation, or
30 other business or legal entity.

31 Sec. 4. (1) To provide fair access to financial services, a

1 financial institution shall not, except as otherwise provided in the act:

2 (a) Deny any person a financial service the financial institution
3 offers except to the extent justified by such person's documented failure
4 to meet quantitative, impartial, and risk-based financial standards
5 established in advance by the financial institution;

6 (b) Deny any person a financial service the financial institution
7 offers, other than as provided in subdivision (a) of this subsection,
8 when the effect of the denial is to prevent, limit, or otherwise
9 disadvantage the person:

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

11 (ii) In such a way that benefits another person or business activity
12 in which the financial institution has a financial interest; and

13 (c) Deny, in coordination with another person, any person a
14 financial service the financial institution offers.

15 (2) A financial institution that utilizes standards or guidelines
16 based on nonfinancial, nontraditional, and subjective measures such as
17 environmental, social, and governance criteria, or political and
18 ideological factors shall:

19 (a) Disclose to any state or federal authorities that oversee the
20 financial institution the specific standards, guidelines, and criteria
21 used by the financial institution to determine access or denial of a
22 financial service to a person in this state;

23 (b) Comply with any rules and regulations adopted and promulgated by
24 any state or federal authorities that oversee the financial institution;
25 and

26 (c) Disclose to any person denied a financial service the specific
27 data, information, criteria, and standards used to support such denial.

28 Such disclosure shall be in bold fourteen-point font.