

ONE HUNDRED NINTH LEGISLATURE - SECOND SESSION - 2026
COMMITTEE STATEMENT
LB838

Hearing Date: Tuesday January 27, 2026
Committee On: Banking, Commerce and Insurance
Introducer: Jacobson
One Liner: Change provisions relating to the financial exploitation of vulnerable or senior adults

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye: 8 Senators Jacobson, Bostar, Dungan, Hallstrom, Hardin, Riepe, von Gillern, Wordekemper
Nay:
Absent:
Present Not Voting:

Testimony:

Proponents:

Senator Mike Jacobson
Theresa Thibodeau
Burke Harr
Kelly Lammers
Ryan McIntosh
L. James Wright
Dexter Schrodt
Jina Ragland

Representing:

Opening Presenter
Office of Congressman Don Bacon
First National Bank Omaha
Nebraska Department of Banking
Nebraska Bankers Association
Nebraska Credit Union League
Nebraska Independent Community Bankers
AARP Nebraska

Opponents:

Representing:

Neutral:

Representing:

* ADA Accommodation Written Testimony

Summary of purpose and/or changes:

LB 838 expands laws relating to financial exploitation of vulnerable or senior adults. By formalizing the role of an "Authorized Contact" the Act creates a vital safe harbor for financial institutions. The additions strengthen the Act by ensuring that financial institutions can implement protective programs without fear of administrative penalty, while also giving them the legal means to freeze out a designated contact if that person is suspected of being the exploiter. Furthermore, by granting immunity to the contacts themselves, the Act removes the legal hesitation that often prevents neighbors or friends from reporting suspicious activity, thereby creating a collaborative defense between the financial institution, the community, and law enforcement.



Section-by-Section Summary:

Section 1: Amends Neb. Rev. Stat. § 8-2901 to update definitions. It defines an "authorized contact" as an adult designated by a vulnerable adult or senior adult to be contacted by a financial institution in the event of an emergency, a loss of contact with the customer, or suspected financial exploitation.

Section 2: Amends Neb. Rev. Stat. § 8-2903 by adding three new subsections to the statute, which do the following:

Subsection (8): States that financial institutions are not required to start "authorized contact" programs and protects them from liability regarding the administration of such programs or the actions of the contacts themselves.

Subsection (9): Specifically shields financial institutions from liability if they refuse to talk to an authorized contact because they suspect that person is involved in the exploitation or is not acting in the victim's best interest.

Subsection (10): Offers legal protection to the authorized contact person, ensuring they cannot be sued or prosecuted for cooperating with the bank or law enforcement in good faith.

Section 3: Repealer.

Explanation of amendments:

The committee amendment (AM 2326) contains the provisions of LB 838 as amended by AM 2247 (Sections 9-10 of AM 2326) and also the provisions of four other bills that were heard by the Banking, Commerce and Insurance Committee and each made a part of the committee amendment on an 8-0 vote. Those bills are as follows:

AM 2247 to LB 838 (Jacobson):

AM 2247 amends LB 838 by striking subsection (8) of Section 2 of the original bill and replacing it with the following: "A financial institution shall be immune from any civil, criminal, or administrative liability that may otherwise exist for choosing not to implement an authorized contact program. A financial institution, when acting in a reasonable manner, shall be immune from any civil, criminal, or administrative liability that may otherwise exist for any actions or omissions related to the administration of such a program. A financial institution shall not be liable for the actions of an authorized contact."

LB 875 (Hallstrom) as amended by AM 1919 (Sections 25-27 of AM 2326):

Testifiers on LB875:

Proponents:

Senator Bob Hallstrom , Opening Presenter

Phil Erdman, Iowa Nebraska Equipment Dealers Association

Opponents: None

Neutral: None

Committee vote to attach LB875:

Yes: 8 Jacobson, Bostar, Dungan, Hallstrom, Hardin, Riepe, von Gillern, Wordekemper;

No: 0;

Absent: 0;



Present Not Voting: 0;

LB 875 amends the Equipment Business Regulation Act (Neb. Rev. Stat. §§ 87-701 to 87-711) to strengthen dealer protections by closing contractual loopholes. The bill prohibits suppliers from including clauses that waive compliance with the Act or mandate that legal disputes be resolved in out-of-state forums or by other state laws. The bill also eliminates the waiver loophole for inventory returns, ensuring that a dealer's right to return surplus repair parts for credit is mandatory and cannot be signed away by individuals or groups.

AM 1919 amends the bill by clarifying that a term of a dealer agreement which is inconsistent with the terms of the Equipment Business Regulation Act is, in addition to being void and unenforceable, also contrary to public policy.

LB 1160 (Hallstrom) (Sections 11-24 of AM 2326):

Testifiers on LB1160:

Proponents:

Senator Bob Hallstrom , Opening Presenter

Tim Hruza, Nebraska State Bar Association

Opponents: None

Neutral: None

Committee vote to attach LB1160:

Yes: 8 Jacobson, Bostar, Dungan, Hallstrom, Hardin, Riepe, von Gillern, Wordekemper;

No: 0;

Absent: 0;

Present Not Voting: 0;

LB 1160 is a modernization of Nebraska's estate and trust laws designed to synchronize the Uniform Probate Code with the Uniform Trust Code while strengthening the rights of surviving families. The bill creates a more predictable legal environment by applying standard civil litigation rules to probate disputes and ensuring that trust interpretations mirror the established rules for wills, including the requirement for written proof of contracts and the unenforceability of "no-contest" clauses when probable cause for a challenge exists. The bill introduces the "negative will" concept to guarantee that disinherited heirs remain excluded even in cases of forgotten property, and it significantly enhances the financial safety net for surviving spouses and children by increasing statutory intestate shares and expanding homestead and exempt property allowances for decedent's dying on or after January 1, 2027.

Section-by-Section Summary:

Amends Neb. Rev. Stat. § 25-2701 to create a procedural safety net that integrates standard civil litigation rules into probate proceedings, ensuring that whenever the Uniform Probate Code is silent, the general rules of civil procedure fill the gaps. By explicitly including the rules for vacating orders and appellate review, it removes legal ambiguity, providing litigants with a clear, predictable pathway to challenge a judge's decision or appeal a ruling to a higher court. Ultimately, this change synchronizes probate cases with the rest of the court system, preventing "procedural limbo" and ensuring that estates are handled with the same due process standards as any other civil lawsuit.

Amends Neb. Rev. Stat. § 30-2301 of the Nebraska Probate Code to introduce the legal concept of a "negative will," granting a person the power to explicitly bar specific individuals or groups from inheriting any part of their estate,



including property not specifically mentioned in the will. Under traditional probate rules, if a will failed to distribute everything (known as "partial intestacy"), the leftover property would automatically pass to legal heirs even if the deceased intended to exclude them; however, this new language mandates that an excluded person is treated as if they had disclaimed their share (legally "stepping aside" so the property passes to the next person in line). By prioritizing the decedent's written intent over default bloodline rules, this amendment ensures that a "disinheritance" clause actually works as intended, even for property the deceased might have forgotten to list or include in the will.

Amends Neb. Rev. Stat. § 30-2302 of the Nebraska Probate Code to increase the intestate share of the surviving spouse.

Amends Neb. Rev. Stat. § 30-2322 of the Nebraska Probate Code to add a third category of homestead exemption for surviving spouses of decedents that die on or after January 1, 2027.

Amends Neb. Rev. Stat. § 30-2323 of the Nebraska Probate Code to add a third category of exempt property for surviving spouses of decedents that die on or after January 1, 2027.

Amends Neb. Rev. Stat. § 30-2325 of the Nebraska Probate Code to add a third category of family allowance for surviving spouses and minor children of decedents that die on or after January 1, 2027.

Amends Neb. Rev. Stat. § 30-3801 to expand the Nebraska Uniform Trust Code to also include new sections 9 through 11 of LB 1160.

Amends Neb. Rev. Stat. § 30-3803 of the Nebraska Uniform Trust Code to redefine the meaning of "terms of a trust" to also include documents other than the trust document itself.

Adds a new section of law to the Nebraska Uniform Trust Code to prevent heirs or other parties from claiming that the deceased person made a "secret" or "oral" promise to never change their trust. It aligns trust law with the existing Nebraska law for wills (Neb. Rev. Stat. § 30-2351), creating a uniform standard for all estate planning.

Adds a new section of law to the Nebraska Uniform Trust Code stating that a provision in a trust purporting to penalize any interested person for contesting the trust or instituting other proceedings relating to the trust is unenforceable if probable cause exists for instituting proceedings.

Adds a new section of law to the Nebraska Uniform Trust Code stating that the rules of construction that apply in Nebraska to the interpretation and disposition of property by will shall also apply as appropriate to the interpretation of the terms of a trust and the disposition of the trust property. This brings the Nebraska Uniform Trust Code into conformity with the Nebraska Probate Code.

Amends Neb. Rev. Stat. § 30-38,103 of the Nebraska Uniform Trust Code to allow a certification of trust to also confirm any information necessary to establish a person's ownership of a homestead for purposes of obtaining a homestead exemption.

Amends Neb. Rev. Stat. § 77-2004 to clean up the layout of the statute. It also adds lineal descendants of persons to whom the deceased for not less than ten years prior to death stood in the acknowledged relation of a parent to the list of those who pay 1% inheritance tax.

Amends Neb. Rev. Stat. § 77-3503 to redefine "owner" for homestead exemption purposes to allow a certification of trust to confirm the information necessary under the statute (Harmonizing section with section 12 above).



LB 1063 (Bostar) as amended by AM 1955 (Sections 1-8 of AM 2326):

Testifiers on LB1063:

Proponents:

Senator Eliot Bostar , Opening Presenter

Kelly Lammers, Nebraska Department of Banking and Finance

Dexter Schrodt, Nebraska Independent Community Bankers Association

Opponents: None

Neutral: None

Committee vote to attach LB1063:

Yes: 8 Jacobson, Bostar, Dungan, Hallstrom, Hardin, Riepe, von Gillern, Wordekemper;

No: 0;

Absent: 0;

Present Not Voting: 0;

LB 1063 modernizes the Nebraska Money Transmitters Act (Act) to exclude influence from foreign adversaries and regulate informal transfer systems. By integrating new security mandates into existing law, the bill establishes a clear legal framework that requires license applicants to certify they are not controlled by entities from hostile nations, while also broadening oversight to include unconventional methods like hawala networks. Key to this bill is the creation of a categorical ban and a legal presumption of unfitness for any foreign adversary person, effectively shifting the burden of proof to businesses to demonstrate their independence from foreign interference. The bill empowers the Director of Banking and Finance to investigate complex corporate structures, levy administrative fines for deceptive reporting, and revoke the licenses of any entities that fail to meet these new standards of national and financial security.

Section-by-Section Summary:

Amends Neb. Rev. Stat. § 8-2701 of the Act to include new section 5-8 of this bill in the Nebraska Money Transmitters Act (Act).

Amends Neb. Rev. Stat. § 8-2702 of the Act to define foreign adversary person, informal value transfer system services, and redefine money transmission.

Amends Neb. Rev. Stat. § 8-2711 of the Act to update the requirements for any person or entity applying for a money transmitter license in Nebraska. Applicants for a money transmitter license are now required to provide more detailed documentation under this section. Specifically, they must submit certifications verifying that neither the applicant nor any of its key individuals are foreign adversary persons or are controlled by such entities.

Amends Neb. Rev. Stat. § 8-2742 of the Act to add 15 C.F.R. 791.4 as a new definition under the Act.

Creates a new section of law where the Legislature finds and declares that the presence of money transmitters controlled by foreign adversaries poses a significant risk to the state's financial security.

Establishes a categorical ban that prevents any foreign adversary person from engaging in the business of money transmission within the state of Nebraska. It specifically mandates that no foreign adversary person shall be a licensee under the act or act as a person in control of a licensee. Furthermore, the bill prohibits these individuals or



entities from serving as a key individual for any money transmission business which ensures that hostile foreign interests cannot hold management or oversight positions in companies that move money for Nebraska citizens.

Creates a legal framework that applies the new restrictions provided under the bill to both current businesses and those seeking to enter the Nebraska market. It establishes a powerful legal presumption that any applicant or licensee who is determined to be a foreign adversary person is inherently unfit to engage in money transmission. This presumption of unfitness shifts the burden of proof onto the applicant or licensee. If the state identifies a connection to a foreign adversary, the burden is on the business to provide clear and convincing evidence that they do not fall under the prohibited categories or that their ownership structure does not pose the risks the bill seeks to prevent.

Also clarifies that these new standards apply immediately to all pending applications and will apply to existing licensees as soon as the bill becomes effective. For existing money transmitters, this section works in tandem with the verification duties found elsewhere in the bill to trigger a re-evaluation of their standing. If a current license holder cannot successfully rebut the presumption of unfitness, the director is empowered to initiate license revocation proceedings. This ensures that the state does not grandfather in potentially dangerous entities and instead subjects the entire existing market to a rigorous security check to ensure compliance with the new standards of financial integrity and national security.

Imposes a specific duty on the Director of Banking and Finance to oversee the supplemental information provided by licensees. It ensures the Director has the authority to investigate corporate structures and verify that no hidden foreign adversary control exists within Nebraska's financial system.

AM 1955 replaces the word "person" in section 6 of LB 1063 with "person in control."

LB 837 (Jacobson) as amended by AM 1826 and AM 2128 (Section 28 of AM 2326):

Testifiers on LB837:

Proponents:

Senator Mike Jacobson , Opening Presenter

Ryan McIntosh, Nebraska Bankers Association

Rich Otto, Nebraska Retail Federation / Nebraska Grocery Industry Association / Nebraska Petroleum Marketers & Convenience Store Association / Nebraska Hospitality Association

Dexter Schrodt, Nebraska Independent Community Bankers

Candace Meredith, Nebraska Association of County Officials

Opponents: None

Neutral: None

Committee vote to attach LB837:

Yes: 8 Jacobson, Bostar, Dungan, Hallstrom, Hardin, Riepe, von Gillern, Wordekemper;

No: 0;

Absent: 0;

Present Not Voting: 0;

LB 837 is a proactive response to the federal government's decision to cease the minting of pennies due to rising production costs. The primary objective of the legislation is to provide a uniform, legal framework for businesses and



consumers to round cash transaction amounts to the nearest nickel, ensuring clarity and consistency in daily commerce as the circulation of pennies diminishes.

The bill specifically targets physical cash transactions, including the sale of goods and services, cash transfers between parties, and the payment of cash wages. It does not apply to digital or non-cash payment methods such as credit cards, debit cards, checks, or electronic transfers, where exact cent amounts can still be processed without physical currency. By establishing these rules, LB 837 aims to prevent disputes at the point of sale and provide guidance to financial institutions and retailers navigating the transition away from one-cent coins.

If the final digit of the transaction ends in 1, 2, 6, or 7, the amount is rounded down to the nearest multiple of five cents. If the final digit of the transaction ends in 3, 4, 8, or 9, the amount is rounded up to the nearest multiple of five cents. For transactions totaling only 1 or 2 cents, the amount shall be rounded up to 5 cents.

The bill explicitly states that these rounding rules do not apply to any transaction involving negotiable instruments, electronic fund transfers (EFT), checks, gift cards, money orders, credit cards, or similar non-cash methods.

AM 1826 makes the following changes to LB 837:

Allows persons selling goods or services in cash transactions to choose between rounding the total cash transaction amount or rounding the final cash amount paid out or returned to the customer. The method chosen must apply to the entire premise at which the sale occurs.

Provides clarifying language on how the rounding procedure will work in situations of split transactions.

Provides clarifying language stating that, notwithstanding any other provision of law to the contrary, including section 77-1737, any rounding under the bill shall be considered an administrative settlement of the physical payment and shall not be construed as a release, discharge, remission, or commutation of any tax, fee, or assessment within the meaning of Article VIII, section 4, of the Constitution of Nebraska.

Adds the emergency clause to the bill.

AM 2128 strikes "selling goods or services" on page 2, line 3 of AM 1826 and replaces it with "rounding under this section." This ensures that rounding under the bill is optional for those it affects, and not mandatory.

Mike Jacobson, Chairperson

