

ENGROSSED LEGISLATIVE BILL 250

Introduced by Jacobson, 42; Hallstrom, 1.

A BILL FOR AN ACT relating to banking; to amend section 8-126, Reissue Revised Statutes of Nebraska; to change provisions relating to qualifications of the board of directors of a bank; and to repeal the original section.

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

Section 1. Section 8-126, Reissue Revised Statutes of Nebraska, is amended to read:

8-126 (1) Reasonable efforts shall be made for a majority of the members of the board of directors of any bank to have their primary residences (a) in this state, (b) within twenty-five miles of the main office of the bank, (c) in the county in which the main office of such bank is located, or (d) in counties in which branches of such bank are located.

(2) Directors of banks shall be persons of good moral character, known integrity, business experience, and responsibility. No person shall act as a member of the board of directors of any bank until such bank applies for and obtains approval from the department.

(3) If the department, upon investigation, determines that any director of a bank is conducting the business of the bank in an unsafe or unauthorized manner or is endangering the interests of the stockholders or depositors, the Director of Banking and Finance has the authority, following notice and opportunity for hearing, to revoke such approval to act as a member of the board of directors.

(4) The Director of Banking and Finance may adopt and promulgate rules and regulations and prescribe forms to carry out this section.

Sec. 2. Original section 8-126, Reissue Revised Statutes of Nebraska, is repealed.

PRESIDENT OF THE LEGISLATURE

THIS IS TO CERTIFY that the within LB 250 was passed by the One Hundred Ninth Legislature of Nebraska at its First Session on the day of 20.....

CLERK OF THE LEGISLATURE

Approved:

..... 20....., o'clockM.

GOVERNOR