

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 251

FINAL READING

Introduced by Jacobson, 42.

Read first time January 14, 2025

Committee: Banking, Commerce and Insurance

1 A BILL FOR AN ACT relating to banking and finance; to amend sections
2 8-113, 8-157, 8-226, 8-305, 8-1506, 21-1725.01, 21-1728, 44-708,
3 45-101.04, 45-190, 45-724, 59-1715, and 76-710.02, Reissue Revised
4 Statutes of Nebraska, sections 8-135, 8-141, 8-143.01, 8-157.01,
5 8-183.04, 8-1,140, 8-318, 8-355, 8-1101, 8-1101.01, 8-1704, 8-1707,
6 8-2724, 8-2903, 8-3005, 8-3007, 21-17,102, 21-17,115, 59-1722,
7 69-2103, 69-2104, and 69-2112, Revised Statutes Cumulative
8 Supplement, 2024, and section 4A-108, Uniform Commercial Code,
9 Revised Statutes Cumulative Supplement, 2024; to adopt updates to
10 federal law; to change provisions related to the use of certain
11 words, loan limits, branch banking, securities, failing financial
12 institutions, credit union branches, surety bonds, and interest
13 rates for damages payable to irrigation districts; to define,
14 redefine, and eliminate terms; to harmonize provisions; to repeal
15 the original sections; and to declare an emergency.
16 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Section 8-113, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 8-113 (1) No individual, firm, company, corporation, or association
4 doing business in the State of Nebraska, unless organized as a bank under
5 the Nebraska Banking Act or the authority of the director or federal
6 government, a digital asset depository that is not a digital asset
7 depository institution, or as a building and loan association, savings
8 and loan association, or savings bank under Chapter 8, article 3, or the
9 authority of the federal government, shall use the word bank or any
10 derivative thereof as any part of a title or description of any business
11 activity.

12 (2) This section does not apply to:

13 (a) Banks, building and loan associations, savings and loan
14 associations, or savings banks chartered and supervised by a foreign
15 state agency;

16 (b) Bank holding companies registered pursuant to section 8-913 if
17 the term holding company is also used as any part of the title or
18 description of any business activity or if the derivative banc is used;

19 (c) Affiliates or subsidiaries of (i) a bank organized under the
20 Nebraska Banking Act or the authority of the federal government or
21 chartered and supervised by a foreign state agency, (ii) a building and
22 loan association, savings and loan association, or savings bank organized
23 under Chapter 8, article 3, or the authority of the federal government or
24 chartered and supervised by a foreign state agency, or (iii) a bank
25 holding company registered pursuant to section 8-913 if the term holding
26 company is also used as any part of the title or description of any
27 business activity or if the derivative banc is used;

28 (d) Organizations substantially owned by (i) a bank organized under
29 the Nebraska Banking Act or the authority of the federal government or
30 chartered and supervised by a foreign state agency, (ii) a building and
31 loan association, savings and loan association, or savings bank organized

1 under Chapter 8, article 3, or the authority of the federal government or
2 chartered and supervised by a foreign state agency, (iii) a bank holding
3 company registered pursuant to section 8-913 if the term holding company
4 is also used as any part of the title or description of any business
5 activity or if the derivative bank is used, or (iv) any combination of
6 entities listed in subdivisions (i) through (iii) of this subdivision;

7 (e) Mortgage bankers licensed or registered under the Residential
8 Mortgage Licensing Act, if the word mortgage immediately precedes the
9 word bank or its derivative;

10 (f) Digital asset depository institutions chartered under the
11 Nebraska Financial Innovation Act, if the term digital asset is also used
12 as any part of the title or description of any business activity or if
13 any derivative of the word bank is used in such title or description of
14 any such business activity;

15 (g) Any entities with a pending application for the relevant
16 charter, license, status, or other designation, as identified within
17 subdivisions (2)(a) through (f) of this section, provided that if the
18 entity's application is withdrawn or denied, the entity shall cease using
19 the word bank or any derivative thereof as any part of a title or
20 description of any business activity within thirty days after the
21 withdrawal or denial of the application;

22 (h) ~~(g)~~ Organizations which are described in section 501(c)(3) of
23 the Internal Revenue Code as defined in section 49-801.01, which are
24 exempt from taxation under section 501(a) of the code, and which are not
25 providing or arranging for financial services subject to the authority of
26 the department, a foreign state agency, or the federal government;

27 (i) ~~(h)~~ Trade associations which are exempt from taxation under
28 section 501(c)(6) of the code and which represent a segment of the
29 banking or savings and loan industries, and any affiliate or subsidiary
30 thereof;

31 (j) ~~(i)~~ Firms, companies, corporations, or associations which

1 sponsor incentive-based solid waste recycling programs that issue reward
2 points or credits to persons for their participation therein; and

3 (k) ~~(j)~~ Such other firms, companies, corporations, or associations
4 as have been in existence and doing business prior to December 1, 1975,
5 under a name composed in part of the word bank or some derivative
6 thereof.

7 (3) This section does not apply to an individual, firm, company,
8 corporation, or association doing business in Nebraska which uses the
9 word bank or any derivative thereof as any part of a title or description
10 of any business activity if such use is unlikely to mislead or confuse
11 the public or give the impression that such individual, firm, company,
12 corporation, or association is lawfully organized and operating as a bank
13 under the Nebraska Banking Act or the authority of the federal
14 government, or as a building and loan association, savings and loan
15 association, or savings bank under Chapter 8, article 3, or the authority
16 of the federal government.

17 (4) Any violation of this section is a Class V misdemeanor.

18 **Sec. 2.** Section 8-135, Revised Statutes Cumulative Supplement, 2024,
19 is amended to read:

20 8-135 (1) All persons, regardless of age, may become depositors in
21 any bank and shall be subject to the same duties and liabilities
22 respecting their deposits. Whenever a deposit is accepted by any bank in
23 the name of any person, regardless of age, the deposit may be withdrawn
24 by the depositor by any of the following methods:

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

29 (b) Electronic means through:

30 (i) Preauthorized direct withdrawal;

31 (ii) An automatic teller machine;

- 1 (iii) A debit card;
- 2 (iv) A transfer by telephone;
- 3 (v) A network, including the Internet; or
- 4 (vi) Any electronic terminal, computer, magnetic tape, or other
- 5 electronic means.

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

9 (3) This section shall not be construed to affect the rights,
10 liabilities, or responsibilities of participants in an electronic fund
11 transfer under the federal Electronic Fund Transfer Act, 15 U.S.C. 1693
12 et seq., as such act existed on January 1, 2025 2024, and shall not
13 affect the legal relationships between a minor and any person other than
14 the bank.

15 **Sec. 3.** Section 8-141, Revised Statutes Cumulative Supplement, 2024,
16 is amended to read:

17 8-141 (1) No bank shall directly or indirectly loan to any single
18 corporation, limited liability company, firm, or individual, including in
19 such loans all loans made to the several members or shareholders of such
20 corporation, limited liability company, or firm, for the use and benefit
21 of such corporation, limited liability company, firm, or individual, more
22 than twenty-five percent of the paid-up capital, surplus, and capital
23 notes and debentures or fifteen percent of the unimpaired capital and
24 unimpaired surplus of such bank, whichever is greater. Such limitations
25 shall be subject to the following exceptions:

26 (a) Obligations of any person, partnership, limited liability
27 company, association, or corporation in the form of notes or drafts
28 secured by shipping documents or instruments transferring or securing
29 title covering livestock or giving a lien on livestock, ~~when the market~~
30 ~~value of the livestock securing the obligation is not at any time less~~
31 ~~than one hundred fifteen percent of the face amount of the notes covered~~

1 ~~by such documents,~~ shall be subject under this section to a limitation of
2 ten percent of such capital, surplus, and capital notes and debentures or
3 ten percent of such unimpaired capital and unimpaired surplus, whichever
4 is greater, in addition to such twenty-five percent of such capital and
5 surplus or such fifteen percent of such unimpaired capital and unimpaired
6 surplus. To qualify for the additional ten percent limit, the bank shall
7 perfect a security interest in the livestock under applicable law and the
8 livestock shall at all times have a current market value equal to at
9 least one hundred fifteen percent of the amount of the secured note that
10 exceeds twenty-five percent of the bank's capital, surplus, and capital
11 notes and debentures or fifteen percent of the bank's unimpaired capital
12 and unimpaired surplus;

13 (b) Obligations of any person, partnership, limited liability
14 company, association, or corporation secured by not less than a like
15 amount of bonds or notes of the United States issued since April 24,
16 1917, or certificates of indebtedness of the United States, treasury
17 bills of the United States, or obligations fully guaranteed both as to
18 principal and interest by the United States shall be subject under this
19 section to a limitation of ten percent of such capital, surplus, and
20 capital notes and debentures or ten percent of such unimpaired capital
21 and unimpaired surplus, whichever is greater, in addition to such twenty-
22 five percent of such capital and surplus or such fifteen percent of such
23 unimpaired capital and unimpaired surplus;

24 (c) Obligations of any person, partnership, limited liability
25 company, association, or corporation which are secured by negotiable
26 warehouse receipts ~~in an amount not less than one hundred fifteen percent~~
27 ~~of the face amount of the note or notes secured by such documents~~ shall
28 be subject under this section to a limitation of ten percent of such
29 capital, surplus, and capital notes and debentures or ten percent of such
30 unimpaired capital and unimpaired surplus, whichever is greater, in
31 addition to such twenty-five percent of such capital, ~~and surplus, and~~

1 capital notes and debentures or such fifteen percent of such unimpaired
2 capital and unimpaired surplus. To qualify for the additional ten percent
3 limit, the receipts securing the obligations shall at all times have a
4 current market value equal to at least one hundred fifteen percent of the
5 amount of the obligations that exceeds twenty-five percent of the bank's
6 capital, surplus, and capital note and debentures or fifteen percent of
7 the bank's unimpaired capital and unimpaired surplus; or

8 (d) Obligations of any person, partnership, limited liability
9 company, association, or corporation which are secured by readily
10 marketable collateral having a market value, as determined by reliable
11 and continuously available price quotations, in an amount at least equal
12 to the face amount of the note or notes secured by such collateral, shall
13 be subject under this section to a limitation of ten percent of such
14 capital, surplus, and capital notes and debentures or ten percent of such
15 unimpaired capital and unimpaired surplus, whichever is greater, in
16 addition to such twenty-five percent of such capital and surplus or such
17 fifteen percent of such unimpaired capital and unimpaired surplus.

18 (2)(a) For purposes of this section, the discounting of bills of
19 exchange, drawn in good faith against actually existing values, and the
20 discounting of commercial paper actually owned by the persons negotiating
21 the bills of exchange or commercial paper shall not be considered as the
22 lending of money.

23 (b) Loans or obligations shall not be subject to any limitation
24 under this section, based upon such capital and surplus or such
25 unimpaired capital and unimpaired surplus, to the extent that such
26 capital and surplus or such unimpaired capital and unimpaired surplus are
27 secured or covered by guaranties, or by commitments or agreements to take
28 over or to purchase such capital and surplus or such unimpaired capital
29 and unimpaired surplus, made by any federal reserve bank or by the United
30 States Government or any authorized agency thereof, including any
31 corporation wholly owned directly or indirectly by the United States, or

1 general obligations of any state of the United States or any political
2 subdivision of the state. The phrase general obligation of any state or
3 any political subdivision of the state means an obligation supported by
4 the full faith and credit of an obligor possessing general powers of
5 taxation, including property taxation, but does not include municipal
6 revenue bonds and sanitary and improvement district warrants which are
7 subject to the limitations set forth in this section.

8 (c) Any bank may subscribe to, invest in, purchase, and own single-
9 family mortgages secured by the Federal Housing Administration or the
10 United States Department of Veterans Affairs and mortgage-backed
11 certificates of the Government National Mortgage Association which are
12 guaranteed as to payment of principal and interest by the Government
13 National Mortgage Association. Such mortgages and certificates shall not
14 be subject under this section to any limitation based upon such capital
15 and surplus or such unimpaired capital and unimpaired surplus.

16 (d) Obligations representing loans to any national banking
17 association or to any banking institution organized under the laws of any
18 state, when such loans are approved by the director by rule and
19 regulation or otherwise, shall not be subject under this section to any
20 limitation based upon such capital and surplus or such unimpaired capital
21 and unimpaired surplus.

22 (e) Loans or extensions of credit secured by a segregated deposit
23 account in the lending bank shall not be subject under this section to
24 any limitation based on such capital and surplus or such unimpaired
25 capital and unimpaired surplus. The director may adopt and promulgate
26 rules and regulations governing the terms and conditions of such security
27 interest and segregated deposit account.

28 (f) For the purpose of determining lending limits, partnerships
29 shall not be treated as separate entities. Each individual shall be
30 charged with his or her personal debt plus the debt of every partnership
31 in which he or she is a partner, except that for purposes of this section

1 (a) an individual shall only be charged with the debt of any limited
2 partnership in which he or she is a partner to the extent that the terms
3 of the limited partnership agreement provide that such individual is to
4 be held liable for the debts or actions of such limited partnership and
5 (b) no individual shall be charged with the debt of any general
6 partnership in which he or she is a partner beyond the extent to which
7 (i) his or her liability for such partnership debt is limited by the
8 terms of a contract or other written agreement between the bank and such
9 individual and (ii) any personal debt of such individual is incurred for
10 the use and benefit of such general partnership.

11 (3) A loan made within lending limits at the initial time the loan
12 was made may be renewed, extended, or serviced without regard to changes
13 in the lending limit of a bank following the initial extension of the
14 loan if (a) the renewal, extension, or servicing of the loan does not
15 result in the extension of funds beyond the initial amount of the loan or
16 (b) the accrued interest on the loan is not added to the original amount
17 of the loan in the process of renewal, extension, or servicing.

18 (4) Any bank may purchase or take an interest in life insurance
19 contracts for any purpose incidental to the business of banking. A bank's
20 purchase of any life insurance contract, as measured by its cash
21 surrender value, from any one life insurance company shall not at any
22 time exceed twenty-five percent of the paid-up capital, surplus, and
23 capital notes and debentures of such bank or fifteen percent of the
24 unimpaired capital and unimpaired surplus of such bank, whichever is
25 greater. A bank's purchase of life insurance contracts, as measured by
26 their cash surrender values, in the aggregate from all life insurance
27 companies shall not at any time exceed thirty-five percent of the paid-up
28 capital, surplus, undivided profits, and capital notes and debentures of
29 such bank. The limitations under this subsection on a bank's purchase of
30 life insurance contracts, in the aggregate from all life insurance
31 companies, shall not apply to any contract purchased prior to April 5,

1 1994.

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

9 (6) For purposes of this section:

10 (a) Derivative transaction means any transaction that is a contract,
11 agreement, swap, warrant, note, or option that is based, in whole or in
12 part, on the value of, any interest in, or any quantitative measure or
13 the occurrence of any event relating to, one or more commodities,
14 securities, currencies, interest or other rates, indices, or other
15 assets;

16 (b) Loan includes:

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

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

23 (iii) Any credit exposure to a person arising from a derivative
24 transaction, repurchase agreement, reverse repurchase agreement,
25 securities lending transaction, or securities borrowing transaction
26 between the bank and the person; and

27 (c) Unimpaired capital and unimpaired surplus means:

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

31 (A) The bank's tier 1 capital as reported according to the capital

1 guidelines of the appropriate federal banking agency; and

2 (B) The bank's allowance for loan and lease losses or allowance for
3 credit losses, as applicable, as reported in the most recent consolidated
4 report of condition filed under 12 U.S.C. 1817(a)(3), as such section
5 existed on January 1, 2025 ~~2024~~; and

6 (ii) For all other banks:

7 (A) The bank's tier 1 and tier 2 capital included in the bank's
8 risk-based capital under the capital guidelines of the appropriate
9 federal banking agency, based on the bank's most recent consolidated
10 report of condition filed under 12 U.S.C. 1817(a)(3), as such section
11 existed on January 1, 2025 ~~2024~~; and

12 (B) The balance of the bank's allowance for loan and lease losses
13 not included in the bank's tier 2 capital for purposes of the calculation
14 of risk-based capital by the appropriate federal banking agency, based on
15 the bank's most recent consolidated report of condition filed under 12
16 U.S.C. 1817(a)(3), as such section existed on January 1, 2025 ~~2024~~.

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

21 **Sec. 4.** Section 8-143.01, Revised Statutes Cumulative Supplement,
22 2024, is amended to read:

23 8-143.01 (1) No bank shall extend credit to any of its executive
24 officers, directors, or principal shareholders or to any related interest
25 of such persons in an amount that, when aggregated with the amount of all
26 other extensions of credit by the bank to that person and to all related
27 interests of that person, exceeds the higher of twenty-five thousand
28 dollars or five percent of the bank's unimpaired capital and unimpaired
29 surplus unless (a) the extension of credit has been approved in advance
30 by a majority vote of the entire board of directors of the bank, a record
31 of which shall be made and kept as a part of the records of such bank,

1 and (b) the interested party has abstained from participating directly or
2 indirectly in such vote.

3 (2) No bank shall extend credit to any of its executive officers,
4 directors, or principal shareholders or to any related interest of such
5 persons in an amount that, when aggregated with the amount of all other
6 extensions of credit by the bank to that person and to all related
7 interests of that person, exceeds five hundred thousand dollars except by
8 complying with the requirements of subdivisions (1)(a) and (b) of this
9 section.

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

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

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

18 (b)(i) In any amount to finance or refinance the purchase,
19 construction, maintenance, or improvement of a residence of such
20 executive officer if the extension of credit is secured by a first lien
21 on the residence and the residence is owned or is expected to be owned
22 after the extension of credit by the executive officer and (ii) in the
23 case of a refinancing, only the amount of the refinancing used to repay
24 the original extension of credit, together with the closing costs of the
25 refinancing, and any additional amount thereof used for any of the
26 purposes enumerated in this subdivision are included within this category
27 of credit;

28 (c) In any amount if the extension of credit is (i) secured by a
29 perfected security interest in bonds, notes, certificates of
30 indebtedness, or treasury bills of the United States or in other such
31 obligations fully guaranteed as to principal and interest by the United

1 States, (ii) secured by unconditional takeout commitments or guarantees
2 of any department, agency, bureau, board, commission, or establishment of
3 the United States or any corporation wholly owned directly or indirectly
4 by the United States, or (iii) secured by a perfected security interest
5 in a segregated deposit account in the lending bank; or

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

14 (5)(a) Except as provided in subdivision (b) of this subsection, the
15 board of directors of a bank may obtain a credit report from a recognized
16 credit agency, on an annual basis, for any or all of its executive
17 officers.

18 (b) Subdivision (a) of this subsection does not apply to any
19 executive officer if such officer is excluded by a resolution of the
20 board of directors or by the bylaws of the bank from participating in the
21 major policymaking functions of the bank and does not actually
22 participate in the major policymaking functions of the bank.

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

29 (7)(a) Except as provided in subdivision (b) of this subsection, no
30 bank shall extend credit to any of its executive officers, directors, or
31 principal shareholders or to any related interest of such persons unless

1 the extension of credit (i) is made on substantially the same terms,
2 including interest rates and collateral, as, and following credit-
3 underwriting procedures that are not less stringent than, those
4 prevailing at the time for comparable transactions by the bank with other
5 persons that are not covered by this section and who are not employed by
6 the bank and (ii) does not involve more than the normal risk of repayment
7 or present other unfavorable features.

8 (b) Nothing in subdivision (a) of this subsection shall prohibit any
9 extension of credit made by a bank pursuant to a benefit or compensation
10 program under the provisions of 12 C.F.R. 215.4(a)(2), as such regulation
11 existed on January 1, 2025 ~~2024~~.

12 (8) For purposes of this section:

13 (a) Executive officer means a person who participates or has
14 authority to participate, other than in the capacity of director, in the
15 major policymaking functions of the bank, whether or not the officer has
16 an official title, the title designates such officer as an assistant, or
17 such officer is serving without salary or other compensation. Executive
18 officer includes the chairperson of the board of directors, the
19 president, all vice presidents, the cashier, the corporate secretary, and
20 the treasurer, unless the executive officer is excluded by a resolution
21 of the board of directors or by the bylaws of the bank from
22 participating, other than in the capacity of director, in the major
23 policymaking functions of the bank, and the executive officer does not
24 actually participate in such functions. A manager or assistant manager of
25 a branch of a bank shall not be considered to be an executive officer
26 unless such individual participates or is authorized to participate in
27 the major policymaking functions of the bank; and

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

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

31 (ii) Any subordinated notes and debentures approved as an addition

1 to the bank's capital structure by the appropriate federal banking
2 agency; and

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

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

10 (10) The Director of Banking and Finance may adopt and promulgate
11 rules and regulations to carry out this section, including rules and
12 regulations defining or further defining terms used in this section,
13 consistent with the provisions of 12 U.S.C. 84 and implementing
14 Regulation O as such section and regulation existed on January 1, 2025
15 ~~2024~~.

16 **Sec. 5.** Section 8-157, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 8-157 (1) Except as otherwise provided in this section and section
19 8-2103, the general business of every bank shall be transacted at the
20 place of business specified in its charter.

21 (2)(a)(i) Except as provided in subdivision (2)(a)(ii) of this
22 section, with the approval of the director, any bank located in this
23 state may establish and maintain in this state an unlimited number of
24 branches at which all banking transactions allowed by law may be made.

25 (ii) Any bank that owns or controls more than twenty-two percent of
26 the total deposits in Nebraska, as described in subdivision (2)(c) of
27 section 8-910 and computed in accordance with subsection (3) of section
28 8-910, or any bank that is a subsidiary of a bank holding company that
29 owns or controls more than twenty-two percent of the total deposits in
30 Nebraska, as described in subdivision (2)(c) of section 8-910 and
31 computed in accordance with subsection (3) of section 8-910, shall not

1 establish and maintain an unlimited number of branches as provided in
2 subdivision (2)(a)(i) of this section. With the approval of the director,
3 a bank as described in this subdivision may establish and maintain in the
4 county in which the main office of such bank is located an unlimited
5 number of branches at which all banking transactions allowed by law may
6 be made, except that if the main office of such bank is located in a
7 Class I or Class III county, such bank may establish and maintain in
8 Class I and Class III counties an unlimited number of branches at which
9 all banking transactions allowed by law may be made.

10 (iii) Any bank which establishes and maintains branches pursuant to
11 subdivision (2)(a)(i) of this section and which subsequently becomes a
12 bank as described in subdivision (2)(a)(ii) of this section shall not be
13 subject to the limitations as to location of branches contained in
14 subdivision (2)(a)(ii) of this section with regard to any such
15 established branch and shall continue to be entitled to maintain any such
16 established branch as if such bank had not become a bank as described in
17 subdivision (2)(a)(ii) of this section.

18 (b) With the approval of the director, any bank or any branch may
19 establish and maintain a mobile branch at which all banking transactions
20 allowed by law may be made. Such mobile branch may consist of one or more
21 vehicles which may transact business only within the county in which such
22 bank or such branch is located and within counties in this state which
23 adjoin such county.

24 (c) For purposes of this subsection:

25 (i) Class I county means a county in this state with a population of
26 four hundred thousand or more as determined by the most recent federal
27 decennial census;

28 (ii) Class II county means a county in this state with a population
29 of at least two hundred thousand and less than four hundred thousand as
30 determined by the most recent federal decennial census;

31 (iii) Class III county means a county in this state with a

1 population of at least one hundred thousand and less than two hundred
2 thousand as determined by the most recent federal decennial census; and

3 (iv) Class IV county means a county in this state with a population
4 of less than one hundred thousand as determined by the most recent
5 federal decennial census.

6 (3) With the approval of the director, a bank may establish and
7 maintain branches acquired pursuant to section 8-1506 or 8-1516. All
8 banking transactions allowed by law may be made at such branches.

9 (4) With the approval of the director, a bank may acquire the assets
10 and assume the deposits of a branch of another financial institution in
11 Nebraska if the acquired branch is converted to a branch of the acquiring
12 bank. All banking transactions allowed by law may be made at a branch
13 acquired pursuant to this subsection.

14 (5) With the approval of the director, a bank may establish a branch
15 pursuant to subdivision (6) of section 8-115.01. All banking transactions
16 allowed by law may be made at such branch.

17 (6) The name given to any branch established and maintained pursuant
18 to this section shall not be substantially similar to the name of any
19 existing bank or branch which is unaffiliated with the newly created
20 branch and is located in the same city, village, or county. The name of
21 such newly created branch shall be approved by the director.

22 (7) A bank which has a main chartered office or an approved branch
23 located in the State of Nebraska may, through any of its executive
24 officers, including executive officers licensed as such pursuant to
25 section 8-139, or designated agents, conduct a loan closing at a location
26 other than the place of business specified in the bank's charter or any
27 branch thereof.

28 (8) A bank which has a main chartered office or approved branch
29 located in the State of Nebraska may, upon notification to the
30 department, establish savings account programs at any elementary or
31 secondary school, whether public or private, that has students who reside

1 in the same city or village as the main chartered office or branch of the
2 bank, or, if the main office of the bank is located in an unincorporated
3 area of a county, at any school that has students who reside in the same
4 unincorporated area. The savings account programs shall be limited to the
5 establishment of individual student accounts and the receipt of deposits
6 for such accounts.

7 (9) Upon receiving an application for a branch to be established
8 pursuant to subdivision (2)(a) of this section, to establish a mobile
9 branch pursuant to subdivision (2)(b) of this section, to acquire a
10 branch of another financial institution pursuant to subsection (4) of
11 this section, to establish or acquire a branch pursuant to subsection (1)
12 of section 8-2103, or to move the location of an established branch other
13 than a move made pursuant to subdivision (6) of section 8-115.01, the
14 director shall hold a public hearing on the matter if he or she
15 determines, in his or her discretion, that the condition of the applicant
16 bank warrants a hearing. If the director determines that the condition of
17 the bank does not warrant a hearing, the director shall notify the
18 applicant bank of such, and the applicant bank shall publish a notice, in
19 a form prescribed by the director, of the filing of the application in a
20 newspaper of general circulation in the county where the proposed branch
21 or mobile branch would be located, the expense of which shall be paid by
22 the applicant bank. The applicant bank shall submit to the director (a)
23 an affidavit of publication from the newspaper showing that the notice
24 was published and (b) proof that the bank has paid the expense of
25 publication. If the director receives any substantive objection to the
26 proposed branch or mobile branch within fifteen days after publication of
27 such notice, he or she shall hold a hearing on the application. Notice of
28 a hearing held pursuant to this subsection shall be published for two
29 consecutive weeks in a newspaper of general circulation in the county
30 where the proposed branch or mobile branch would be located. The date for
31 hearing the application shall not be more than ninety days after the

1 filing of the application and not less than thirty days after the last
2 publication of notice of hearing. The expense of any publication required
3 by this section shall be paid by the applicant but payment shall not be a
4 condition precedent to approval by the director.

5 **Sec. 6.** Section 8-157.01, Revised Statutes Cumulative Supplement,
6 2024, is amended to read:

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

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

30 (3)(a)(i) All automatic teller machines shall be made available on a
31 nondiscriminating basis for use by Nebraska customers of a user financial

1 institution and (ii) all Nebraska automatic teller machine transactions
2 initiated by Nebraska customers of a user financial institution shall be
3 made on a nondiscriminating basis.

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

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

29 (d) A switch (i) shall provide to all financial institutions that
30 have a main office or approved branch located in the State of Nebraska
31 and that conform to the operating rules and technical standards

1 established by the switch an equal opportunity to participate in the
2 switch for the use of and access thereto; (ii) shall be capable of
3 operating to accept and route Nebraska automatic teller machine
4 transactions, whether receiving data from an automatic teller machine, an
5 establishing financial institution, or a data processing center; and
6 (iii) shall be capable of being directly or indirectly connected to every
7 data processing center for any automatic teller machine.

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

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

17 (4) Any consumer initiating an electronic funds transfer at an
18 automatic teller machine for which an automatic teller machine surcharge
19 will be imposed shall receive notice in accordance with the provisions of
20 15 U.S.C. 1693b(d)(3)(A) and (B), as such section existed on January 1,
21 2025 ~~2024~~. Such notice shall appear on the screen of the automatic teller
22 machine or appear on a paper notice issued from such machine after the
23 transaction is initiated and before the consumer is irrevocably committed
24 to completing the transaction.

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

31 (6) A seller of goods and services or any other third party on whose

1 premises one or more point-of-sale terminals are established shall not
2 be, solely by virtue of such establishment, a financial institution and
3 shall not be subject to the laws governing, or other requirements imposed
4 on, financial institutions, except for the requirement that it faithfully
5 perform its obligations in connection with any transaction originated at
6 any point-of-sale terminal on its premises.

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

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

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

21 (9) Nothing in this section prohibits ordinary clearinghouse
22 transactions between financial institutions.

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

1 received pursuant to the national automatic teller machine program or
2 usage fees charged for the use of its automatic teller machines by
3 customers of out-of-state financial institutions or foreign financial
4 institutions shall not be considered for purposes of determining (a) if
5 an automatic teller machine has been made available or Nebraska automatic
6 teller machine transactions have been made on a nondiscriminating basis
7 for use by Nebraska customers of a user financial institution or (b) if a
8 switch complies with subdivision (3)(d) of this section.

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

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

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

1 on a nondiscriminating basis, provided that all Nebraska automatic teller
2 machine transactions initiated by customers of participating credit
3 unions result in the same automatic teller machine usage fees for
4 essentially the same service routed over the same switch.

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

8 (15) For purposes of this section:

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

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

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

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

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

30 (f) Essentially the same service means the same Nebraska automatic
31 teller machine transaction offered by an establishing financial

1 institution irrespective of the user financial institution, the Nebraska
2 customer of which initiates the Nebraska automatic teller machine
3 transaction. A Nebraska automatic teller machine transaction that is
4 subject to a surcharge is not essentially the same service as the same
5 banking transaction for which a surcharge is not imposed;

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

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

16 (i) Foreign financial institution means a financial institution
17 located outside the United States;

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

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

29 (l) Sponsoring an automatic teller machine means the acceptance of
30 responsibility by an establishing financial institution for compliance
31 with all provisions of law governing automatic teller machines and

1 Nebraska automatic teller machine transactions in connection with an
2 automatic teller machine owned by a nonfinancial institution third party;

3 (m) Switch fee means a fee established by a switch and assessed to a
4 user financial institution or to an establishing financial institution
5 other than an automatic teller machine usage fee; and

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

10 **Sec. 7.** Section 8-183.04, Revised Statutes Cumulative Supplement,
11 2024, is amended to read:

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

17 (2) All references to shareholders or stockholders for state banks
18 shall be deemed to be references to members for such a converted savings
19 association.

20 (3) The amount and type of capital required for such a converted
21 savings association shall be as required for federal mutual savings
22 associations in 12 C.F.R. 5.21, as such regulation existed on January 1,
23 2025 ~~2024~~, except that if at any time the department determines that the
24 capital of such a converted savings association is impaired, the director
25 may require the members to make up the capital impairment.

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

31 **Sec. 8.** Section 8-1,140, Revised Statutes Cumulative Supplement,

1 2024, is amended to read:

2 8-1,140 Notwithstanding any of the other provisions of the Nebraska
3 Banking Act or any other Nebraska statute, any bank incorporated under
4 the laws of this state and organized under the provisions of the act, or
5 under the laws of this state as they existed prior to May 9, 1933, shall
6 directly, or indirectly through a department, a subsidiary, or
7 subsidiaries, have all the rights, powers, privileges, benefits, and
8 immunities which may be exercised as of January 1, 2025 ~~2024~~, by a
9 federally chartered bank doing business in Nebraska, including the
10 exercise of all powers and activities that are permitted for a financial
11 subsidiary of a federally chartered bank. Such rights, powers,
12 privileges, benefits, and immunities shall not relieve such bank from
13 payment of state taxes assessed under any applicable laws of this state.

14 **Sec. 9.** Section 8-226, Reissue Revised Statutes of Nebraska, is
15 amended to read:

16 8-226 (1) No individual, firm, corporation, or association doing
17 business directly or indirectly in the State of Nebraska shall use the
18 words trust, trust company, trust association, or trust fund as any part
19 of its title except:

20 (a) A trust company as defined in section 8-230;

21 (b) A trust company chartered and supervised under the laws of the
22 United States or any other state;

23 (c) A bank or savings association chartered and supervised under the
24 laws of the United States or any other state, if such bank or savings
25 association has been further chartered to conduct a trust company
26 business;

27 (d) An entity with a pending application for a trust company
28 chartered under the Nebraska Trust Company Act, provided that if the
29 entity's application is withdrawn or denied, the entity shall cease using
30 the words trust, trust company, trust association, or trust fund as any
31 part of its title within thirty days after the withdrawal or denial of

1 the application;

2 (e) ~~(d)~~ A limited partnership to the extent authorized by
3 subdivision (5) of section 67-234;

4 (f) ~~(e)~~ An entity required by any other law to use such words; or

5 (g) ~~(f)~~ Except as provided in subsection (2) of this section.

6 (2) Notwithstanding the provisions of subsection (1) of this
7 section:

8 (a) An organization described in section 501(c)(3) of the Internal
9 Revenue Code and exempt from taxation under section 501(a) of the code
10 may use the words trust or trust fund;

11 (b) A trust created by a testamentary or fiduciary document may use
12 the word trust; and

13 (c) An account in a financial institution established by or on
14 behalf of trusts referenced in subdivision (b) of this subsection may use
15 the words trust or trust fund.

16 (3) A violation of this section is a Class V misdemeanor.

17 **Sec. 10.** Section 8-305, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 8-305 The words loan and building association, building association,
20 building and loan association, savings and loan association, or loan and
21 savings association, shall form part of the corporate name of every such
22 corporation. No person individual, firm, company, corporation, or
23 association operating in the State of Nebraska, unless (1) organized
24 under authority of the federal government, (2) organized as a building
25 and loan association under the authority of any foreign state and
26 complying with the provisions of the Nebraska statutes, (3) organized and
27 incorporated under and in accordance with the provisions of sections
28 8-301 to 8-384, or (4) having been in existence and doing business in
29 Nebraska under its present name for a period of ten years prior to
30 January 1, 1949, shall, after August 27, 1949, use in its name the words
31 loan and building association, building and loan association, savings and

1 loan association, loan and savings association, loan and building,
2 building and loan, savings and loan, loan and savings, building and
3 savings, or savings and building, in combination with any other word or
4 words, except that an entity with a pending application for a loan and
5 building association, building association, building and loan
6 association, savings and loan association, or loan and savings
7 association may use the words loan and building association, building
8 association, building and loan association, savings and loan association,
9 or loan and savings association as part of the corporate name of such
10 entity, provided that if the entity's application is withdrawn or denied,
11 the entity shall cease using the words loan and building association,
12 building association, building and loan association, savings and loan
13 association, or loan and savings association, as any part of its
14 corporate name within thirty days after the withdrawal or denial of the
15 application. Any person, firm, company, corporation, or association
16 violating this section shall be guilty of a Class V misdemeanor for each
17 offense. Each day such person, firm, or corporation shall use any such
18 prohibited words shall be deemed a separate and distinct offense in
19 violation of this section.

20 **Sec. 11.** Section 8-318, Revised Statutes Cumulative Supplement,
21 2024, is amended to read:

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

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

4 (i) Check or other instrument in writing. The check or other
5 instrument in writing constitutes a receipt or acquittance if the check
6 or other instrument in writing is signed by the shareholder and
7 constitutes a valid release in discharge to the building and loan
8 association for all payments so made; or

9 (ii) Electronic means through:

10 (A) Preauthorized direct withdrawal;

11 (B) An automatic teller machine;

12 (C) A debit card;

13 (D) A transfer by telephone;

14 (E) A network, including the Internet; or

15 (F) Any electronic terminal, computer, magnetic tape, or other
16 electronic means.

17 (c) This section shall not be construed to affect the rights,
18 liabilities, or responsibilities of participants in an electronic fund
19 transfer under the federal Electronic Fund Transfer Act, 15 U.S.C. 1693
20 et seq., as it existed on January 1, 2025 ~~2024~~, and shall not affect the
21 legal relationships between a minor and any person other than the
22 building and loan association.

23 (2) All trustees, guardians, personal representatives,
24 administrators, and conservators appointed by the courts of this state
25 may invest and reinvest in, acquire, make withdrawals in whole or in
26 part, hold, transfer, or make new or additional investments in or
27 transfers of shares of stock in any (a) building and loan association
28 organized under the laws of the State of Nebraska or (b) federal savings
29 and loan association incorporated under the provisions of the federal
30 Home Owners' Loan Act, having its principal office and place of business
31 in this state, without an order of approval from any court.

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

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

27 **Sec. 12.** Section 8-355, Revised Statutes Cumulative Supplement,
28 2024, is amended to read:

29 8-355 Notwithstanding any of the provisions of Chapter 8, article 3,
30 or any other Nebraska statute, except as provided in section 8-345.02,
31 any association incorporated under the laws of the State of Nebraska and

1 organized under the provisions of such article shall have all the rights,
2 powers, privileges, benefits, and immunities which may be exercised as of
3 January 1, 2025 ~~2024~~, by a federal savings and loan association doing
4 business in Nebraska. Such rights, powers, privileges, benefits, and
5 immunities shall not relieve such association from payment of state taxes
6 assessed under any applicable laws of this state.

7 **Sec. 13.** Section 8-1101, Revised Statutes Cumulative Supplement,
8 2024, is amended to read:

9 8-1101 For purposes of the Securities Act of Nebraska, unless the
10 context otherwise requires:

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

27 (2) Broker-dealer means any person engaged in the business of
28 effecting transactions in securities for the account of others or for his
29 or her own account. Broker-dealer does not include (a) an issuer-dealer,
30 agent, bank, savings institution, or trust company, (b) an issuer
31 effecting a transaction in its own security exempted by subdivision (5)

1 (a), (b), (c), (d), (e), or (f) of section 8-1110 or which qualifies as a
2 federal covered security pursuant to section 18(b)(1) of the Securities
3 Act of 1933, (c) a person who has no place of business in this state if
4 he or she effects transactions in this state exclusively with or through
5 the issuers of the securities involved in the transactions, other broker-
6 dealers, or 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, (d) a person who is registered as a broker-dealer with the
11 Securities and Exchange Commission under the Securities Exchange Act of
12 1934 and has no place of business in this state if during any period of
13 twelve consecutive months he or she does not effect transactions in
14 securities or offer to effect transactions with more than five people in
15 ~~direct more than five offers to sell or to buy into~~ this state in any
16 manner to persons other than those specified in subdivision (2)(c) of
17 this section, or (e) a person who is a resident of Canada and who has no
18 office or other physical presence in Nebraska if the following conditions
19 are satisfied: (i) The person must be registered with, or be a member of,
20 a securities self-regulatory organization in Canada or a stock exchange
21 in Canada; (ii) the person must maintain, in good standing, its
22 provisional or territorial registration or membership in a securities
23 self-regulatory organization in Canada, or stock exchange in Canada;
24 (iii) the person effects, or attempts to effect, (A) a transaction with
25 or for a Canadian client who is temporarily present in this state and
26 with whom the Canadian broker-dealer had a bona fide customer
27 relationship before the client entered this state or (B) a transaction
28 with or for a Canadian client in a self-directed tax advantaged
29 retirement plan in Canada of which that client is the holder or
30 contributor; and (iv) the person complies with all provisions of the
31 Securities Act of Nebraska relating to the disclosure of material

1 information in connection with the transaction;

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

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

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

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

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

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

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

31 (9) Issuer means any person who issues or proposes to issue any

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

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

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

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

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

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

11 ~~(14) Securities Act of 1933, Securities Exchange Act of 1934,~~
12 ~~Investment Advisers Act of 1940, Investment Company Act of 1940,~~
13 ~~Commodity Exchange Act, and the federal Interstate Land Sales Full~~
14 ~~Disclosure Act means the acts as they existed on January 1, 2024;~~

15 (14) ~~(15)~~ Security means any note, stock, treasury stock, bond,
16 debenture, units of beneficial interest in a real estate trust, evidence
17 of indebtedness, certificate of interest or participation in any profit-
18 sharing agreement, collateral-trust certificate, preorganization
19 certificate or subscription, transferable share, investment contract,
20 viatical settlement contract or any fractional or pooled interest in such
21 contract, membership interest in any limited liability company organized
22 under Nebraska law or any other jurisdiction unless otherwise excluded
23 from this definition, voting-trust certificate, certificate of deposit
24 for a security, certificate of interest or participation in an oil, gas,
25 or mining title or lease or in payments out of production under such a
26 title or lease, in general any interest or instrument commonly known as a
27 security, or any certificate of interest or participation in, temporary
28 or interim certificate for, guarantee of, or warrant or right to
29 subscribe to or purchase any of the foregoing. Security does not include
30 any insurance or endowment policy or annuity contract issued by an
31 insurance company. Security also does not include a membership interest

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

9 (15) ~~(16)~~ State means any state, territory, or possession of the
10 United States as well as the District of Columbia and Puerto Rico; and

11 (16) ~~(17)~~ Viatical settlement contract means an agreement for the
12 purchase, sale, assignment, transfer, devise, or bequest of all or any
13 portion of the death benefit or ownership of a life insurance policy or
14 contract for consideration which is less than the expected death benefit
15 of the life insurance policy or contract. Viatical settlement contract
16 does not include (a) the assignment, transfer, sale, devise, or bequest
17 of a death benefit of a life insurance policy or contract made by the
18 viator to an insurance company or to a viatical settlement provider or
19 broker licensed pursuant to the Viatical Settlements Act, (b) the
20 assignment of a life insurance policy or contract to a bank, savings
21 bank, savings and loan association, credit union, or other licensed
22 lending institution as collateral for a loan, or (c) the exercise of
23 accelerated benefits pursuant to the terms of a life insurance policy or
24 contract and consistent with applicable law.

25 **Sec. 14.** Section 8-1101.01, Revised Statutes Cumulative Supplement,
26 2024, is amended to read:

27 8-1101.01 For purposes of the Securities Act of Nebraska:

28 (1) Fair practice or ethical rules or standards promulgated by the
29 Securities and Exchange Commission, the Financial Industry Regulatory
30 Authority, or a self-regulatory organization approved by the Securities
31 and Exchange Commission means such practice, rules, or standards as they

1 existed on January 1, 2025;

2 (2) (1) Federal rules and regulations adopted under the Investment
3 Advisers Act of 1940 or the Securities Act of 1933 means such rules and
4 regulations as they existed on January 1, 2025 2024; and

5 (3) Securities Act of 1933, Securities Exchange Act of 1934,
6 Investment Advisers Act of 1940, Investment Company Act of 1940,
7 Commodity Exchange Act, and the federal Interstate Land Sales Full
8 Disclosure Act means the acts as they existed on January 1, 2025.

9 ~~(2) Fair practice or ethical rules or standards promulgated by the~~
10 ~~Securities and Exchange Commission, the Financial Industry Regulatory~~
11 ~~Authority, or a self-regulatory organization approved by the Securities~~
12 ~~and Exchange Commission means such practice, rules, or standards as they~~
13 ~~existed on January 1, 2024.~~

14 **Sec. 15.** Section 8-1506, Reissue Revised Statutes of Nebraska, is
15 amended to read:

16 8-1506 (1) Whenever the Department of Banking and Finance determines
17 the acquisition of any financial institution chartered under the laws of
18 Nebraska is necessary because its capital is impaired, it is conducting
19 its business in an unsafe or unauthorized manner, or it is endangering
20 the interest of depositors or savers, the Director of Banking and Finance
21 may take immediate action in the case of an emergency so declared by the
22 Governor, the Secretary of State, and the Director of Banking and
23 Finance, without the benefit of a hearing, to convert or merge the
24 charter, form of ownership, or operating powers, some or all of the
25 assets and liabilities, or one or more of the branches of the financial
26 institution into the charter, form of ownership, or operating powers of
27 one or more financial institutions to facilitate the acquisition. Such ~~In~~
28 ~~the case of a financial institution chartered under the laws of Nebraska,~~
29 ~~such~~ immediate action may include the ability by the director to take
30 possession of the institution.

31 (2) In the case of a financial institution chartered by the United

1 States or a foreign state agency as defined in section 8-101.03 and upon
2 receipt of notice by the director from the financial institution's
3 primary state or federal regulator that the acquisition of the financial
4 institution is necessary because (a) the financial institution's capital
5 is impaired, (b) the financial institution is conducting business in an
6 unsafe or unauthorized manner, or (c) the financial institution is
7 endangering the interest of depositors or savers, the director may take
8 immediate action without the benefit of a hearing, to convert or merge
9 the charter, form of ownership, or operating powers, some or all of the
10 assets and liabilities, or one or more of the branches of the financial
11 institution into the charter, form of ownership, or operating powers of
12 one or more financial institutions chartered under the laws of Nebraska
13 to facilitate the acquisition.

14 (3) ~~(2)~~ Any stockholder, depositor, or creditor of any state-
15 ~~chartered~~ financial institution chartered under the laws of Nebraska
16 shall, upon application to the director within five days of the entry of
17 the order, be afforded a hearing relating to the department's order and
18 determination not later than ten days after such application has been
19 filed. On the basis of such hearing, the director shall enter a final
20 order which may continue the original order in effect, revoke it, or
21 modify it. Any person aggrieved by a final order of the director made
22 pursuant to this section may appeal the order by filing, within ten days
23 after the entry of the final order, a written petition praying that the
24 final order be modified or set aside in whole or in part. Upon service of
25 the petition, the director shall within fifteen days certify and file in
26 such court a copy of the original order, the application for hearing, all
27 exhibits and testimony, and the final order from which the appeal is
28 taken. Such appeal shall otherwise be governed by the Administrative
29 Procedure Act.

30 **Sec. 16.** Section 8-1704, Revised Statutes Cumulative Supplement,
31 2024, is amended to read:

1 8-1704 CFTC rule shall mean any rule, regulation, or order of the
2 Commodity Futures Trading Commission in effect on January 1, 2025 ~~2024~~.

3 **Sec. 17.** Section 8-1707, Revised Statutes Cumulative Supplement,
4 2024, is amended to read:

5 8-1707 Commodity Exchange Act shall mean the act of Congress known
6 as the Commodity Exchange Act, 7 U.S.C. 1, as amended on January 1, 2025
7 ~~2024~~.

8 **Sec. 18.** Section 8-2724, Revised Statutes Cumulative Supplement,
9 2024, is amended to read:

10 8-2724 (1) The requirement for a license under the Nebraska Money
11 Transmitters Act does not apply to:

12 (a) The United States or any department, agency, or instrumentality
13 thereof;

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

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

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

20 (ii) Subsidiaries of the institutions listed in subdivision (d)(i)
21 of this subsection;

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

25 (iv) Authorized delegates of the institutions and entities listed in
26 subdivision (d)(i), (ii), or (iii) of this subsection, except that
27 authorized delegates that are not banks, credit unions, building and loan
28 associations, savings and loan associations, savings banks, mutual banks,
29 subsidiaries of any of the foregoing, or bank holding companies shall
30 comply with all requirements imposed upon authorized delegates under the
31 act;

1 (e) The provision of electronic transfer of government benefits for
2 any federal, state, or county governmental agency, as defined in Consumer
3 Financial Protection Bureau Regulation E, 12 C.F.R. part 1005, as such
4 regulation existed on January 1, ~~2025~~ 2024, by a contractor for and on
5 behalf of the United States or any department, agency, or instrumentality
6 thereof or any state or any political subdivision thereof;

7 (f) An operator of a payment system only to the extent that the
8 payment system provides processing, clearing, or settlement services
9 between or among persons who are all exempt under this section in
10 connection with wire transfers, credit card transactions, debit card
11 transactions, automated clearinghouse transfers, or similar fund
12 transfers; or

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

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

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

18 (iii) To engage in the debt management business pursuant to sections
19 69-1201 to 69-1217.

20 (2) An authorized delegate of a licensee or of an exempt entity,
21 acting within the scope of its authority conferred by a written contract
22 as described in section 8-2739, is not required to obtain a license under
23 the Nebraska Money Transmitters Act, except that such an authorized
24 delegate shall comply with the other provisions of the act which apply to
25 money transmission transactions.

26 **Sec. 19.** Section 8-2903, Revised Statutes Cumulative Supplement,
27 2024, is amended to read:

28 8-2903 (1) When a financial institution, or an employee of a
29 financial institution, reasonably believes, or has received information
30 from the department or a law enforcement agency demonstrating that it is
31 reasonable to believe, that financial exploitation of a vulnerable adult

1 or senior adult may have occurred, may have been attempted, is occurring,
2 or is being attempted, the financial institution may, but is not required
3 to:

4 (a) Delay or refuse a transaction with or involving the vulnerable
5 adult or senior adult;

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

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

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

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

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

20 (2) A financial institution is not required to act under subsection
21 (1) of this section when provided with information alleging that
22 financial exploitation may have occurred, may have been attempted, is
23 occurring, or is being attempted, but may use the financial institution's
24 discretion to determine whether or not to act under subsection (1) of
25 this section based on the information available to the financial
26 institution at the time.

27 (3)(a)(i) A financial institution may notify any third party
28 reasonably associated with a vulnerable adult or senior adult if the
29 financial institution reasonably believes that the financial exploitation
30 of a vulnerable adult or senior adult may have occurred, may have been
31 attempted, is occurring, or is being attempted.

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

13 (b) A financial institution may choose not to notify any third party
14 reasonably associated with a vulnerable adult or senior adult of
15 suspected financial exploitation of the vulnerable adult or senior adult
16 if the financial institution reasonably believes the third party is, may
17 be, or may have been engaged in the financial exploitation of the
18 vulnerable adult or senior adult or if requested to refrain from making a
19 notification by a law enforcement agency, if such notification could
20 interfere with a law enforcement investigation.

21 (c) Nothing in this subsection shall prevent a financial institution
22 from notifying the department or a law enforcement agency, if the
23 financial institution reasonably believes that the financial exploitation
24 of a vulnerable adult or senior adult may have occurred, may have been
25 attempted, is occurring, or is being attempted.

26 (4) The authority granted the financial institution under subsection
27 (1) of this section expires upon the sooner of: (a) Thirty business days
28 after the date on which the financial institution first acted under
29 subsection (1) of this section; (b) when the financial institution is
30 satisfied that the transaction or act will not result in financial
31 exploitation of the vulnerable adult or senior adult; or (c) upon

1 termination by an order of a court of competent jurisdiction.

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

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

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

20 (b) Notwithstanding any other law to the contrary, a reasonable
21 belief that payment of a check will facilitate the financial exploitation
22 of a vulnerable adult or senior adult shall constitute reasonable grounds
23 to doubt the collectability of the item for purposes of the federal Check
24 Clearing for the 21st Century Act, 12 U.S.C. 5001 et seq., the federal
25 Expedited Funds Availability Act, 12 U.S.C. 4001 et seq., and 12 C.F.R.
26 part 229, as such acts and part existed on January 1, 2025 ~~2024~~.

27 **Sec. 20.** Section 8-3005, Revised Statutes Cumulative Supplement,
28 2024, is amended to read:

29 8-3005 (1)(a) A digital asset depository may:

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

31 (ii) Sue and be sued;

- 1 (iii) Receive notes as permitted by federal law;
- 2 (iv) Carry on a nonlending digital asset banking business for
- 3 customers, consistent with subdivision (2)(b) of this section;
- 4 (v) Provide payment services upon the request of a customer; and
- 5 (vi) Make an application to become a member bank of the federal
- 6 reserve system.

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

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

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

15 (b) A digital asset depository institution shall not accept demand
16 deposits of United States currency or United States currency that may be
17 accessed or withdrawn by check or similar means for payment to third
18 parties and except as otherwise provided in this subsection, a digital
19 asset depository institution shall not make any loans to consumers for
20 personal, property or household purposes, mortgage loans, or commercial
21 loans of any fiat currency including, but not limited to, United States
22 currency, including the provision of temporary credit relating to
23 overdrafts. Notwithstanding this prohibition against fiat currency
24 lending by a digital asset depository institution, a digital asset
25 depository institution may facilitate the provision of digital asset
26 business services resulting from the interaction of customers with
27 centralized finance or decentralized finance platforms including, but not
28 limited to, controllable electronic record exchange, staking,
29 controllable electronic record lending, and controllable electronic
30 record borrowing. A digital asset depository institution may purchase
31 debt obligations specified by subdivision (2)(c) of section 8-3009.

1 (c) A digital asset depository institution may open a branch in this
2 state or in another state in the manner set forth in section 8-157 or
3 8-2303. A branch in another state is subject to the laws of the host
4 state. A digital asset depository institution, including any branch of
5 the digital asset depository institution, may only accept digital asset
6 deposits or provide other digital asset business services under the
7 Nebraska Financial Innovation Act to individual customers or a customer
8 that is a legal entity other than a natural person engaged in a bona fide
9 business which is lawful under the laws of Nebraska, the laws of the host
10 state if the entity is headquartered in another state, and federal law.

11 (3) The deposit limitations of subdivision (2)(a)(ii) of section
12 8-157 shall not apply to a digital asset depository.

13 (4) Any United States currency coming into an account established by
14 a customer of a digital asset depository institution shall be held in a
15 financial institution, the deposits of which are insured by the Federal
16 Deposit Insurance Corporation, which maintained a main-chartered office
17 in this state, any branch thereof in this state, or any branch of the
18 financial institution which maintained the main-chartered office in this
19 state prior to becoming a branch of such financial institution.

20 (5) A digital asset depository institution shall establish and
21 maintain programs for compliance with the federal Bank Secrecy Act, in
22 accordance with 12 C.F.R. 208.63, as the act and rule existed on January
23 1, 2025 ~~2024~~.

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

30 (a) The collection and reporting of data;

31 (b) Its policies and procedures for accepting and responding to

1 consumer complaints; and

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

6 **Sec. 21.** Section 8-3007, Revised Statutes Cumulative Supplement,
7 2024, is amended to read:

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

12 (a) Make sufficient evidence available to the digital asset
13 depository to enable compliance with anti-money laundering, customer
14 identification, and beneficial ownership requirements, as determined by
15 the federal Bank Secrecy Act guidance and the policies and practices of
16 the institution; and

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

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

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

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

28 (3) Consistent with subdivisions (1)(a)(iv) and (v) of section
29 8-3005, and in addition to any requirements specified by federal law, a
30 digital asset depository shall require that any potential customer that
31 is a legal entity other than a natural person provide reasonable evidence

1 that the entity is engaged in a business that is lawful and bona fide in
2 Nebraska, in the host state, if applicable, and under federal law or is
3 likely to open a lawful, bona fide business within a federal Bank Secrecy
4 Act compliant timeframe, as the act existed on January 1, ~~2025~~ 2024. For
5 purposes of this subsection, reasonable evidence includes business entity
6 filings, articles of incorporation or organization, bylaws, operating
7 agreements, business plans, promotional materials, financing agreements,
8 or other evidence.

9 **Sec. 22.** Section 21-1725.01, Reissue Revised Statutes of Nebraska,
10 is amended to read:

11 21-1725.01 (1) Upon receiving an application to establish a new
12 credit union, a public hearing shall be held on each application. Notice
13 of the filing of the application shall be published by the department for
14 three weeks in a legal newspaper published in or of general circulation
15 in the county where the applicant proposes to operate the credit union.
16 The date for hearing the application shall be not less than thirty days
17 after the last publication of notice of hearing and not more than ninety
18 days after filing the application unless the applicant agrees to a later
19 date. Notice of the filing of the application shall be sent by the
20 department to all financial institutions located in the county where the
21 applicant proposes to operate.

22 (2) When application is made to establish a branch of a credit
23 union, the director shall hold a hearing on the matter if he or she
24 determines, in his or her discretion, that the condition of the applicant
25 credit union warrants a hearing. If the director determines that the
26 condition of the credit union does not warrant a hearing, the director
27 shall notify the applicant credit union of such and the applicant credit
28 union shall publish a notice, in a form prescribed by the director, of
29 the filing of the application in a newspaper of general circulation in
30 the county where the proposed branch would be located. The applicant
31 credit union shall submit to the director (a) an affidavit of publication

1 from the newspaper showing that the notice was published and (b) proof
2 that the credit union has paid the expense of publication. If the
3 director receives any substantive objection to the proposed credit union
4 branch within fifteen days after publication of such notice, he or she
5 shall hold a hearing on the application. Notice of a hearing held
6 pursuant to this subsection shall be published for two consecutive weeks
7 in a newspaper of general circulation in the county where the proposed
8 branch would be located. The date for hearing the application shall be
9 not less than thirty days after the last publication of notice of hearing
10 and not more than ninety days after the filing of the application unless
11 the applicant agrees to a later date.

12 (3) The director may, in his or her discretion, hold a public
13 hearing on amendments to a credit union's articles of association or
14 bylaws which are brought before the department.

15 (4) The expense of any publication required by this section shall be
16 paid by the applicant but payment shall not be a condition precedent to
17 approval by the director.

18 **Sec. 23.** Section 21-1728, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 21-1728 (1) No person, corporation, limited liability company,
21 partnership, or association other than a credit union organized under the
22 Credit Union Act, ~~or the Federal Credit Union Act,~~ or the laws of any
23 other state, or the voluntary association of credit unions, shall use a
24 name or title containing the phrase "credit union " or any derivation
25 thereof, represent itself as a credit union, or conduct business as a
26 credit union, except that an entity with a pending application for a
27 certificate of approval may use a name or title containing the phrase
28 credit union or any derivative thereof, provided that if the entity's
29 application is withdrawn or denied, the entity shall cease using a name
30 or title containing the phrase credit union or any derivative thereof
31 within thirty days after the withdrawal or denial of the application.

1 (2) Any violation of this section shall be a Class V misdemeanor.

2 (3) The director may petition a court of competent jurisdiction to
3 enjoin any violation of this section.

4 **Sec. 24.** Section 21-17,102, Revised Statutes Cumulative Supplement,
5 2024, is amended to read:

6 21-17,102 (1) Funds not used in loans to members may be invested:

7 (a) In securities, obligations, or other instruments of or issued by
8 or fully guaranteed as to principal and interest by the United States of
9 America or any agency or instrumentality thereof or in any trust or
10 trusts established for investing directly or collectively in the same;

11 (b) In securities, obligations, or other instruments of any state of
12 the United States, the District of Columbia, the Commonwealth of Puerto
13 Rico, and the several territories organized by Congress or any political
14 subdivision thereof;

15 (c) In deposits, obligations, or other accounts of financial
16 institutions organized under state or federal law;

17 (d) In loans to or in share accounts of other credit unions or
18 corporate central credit unions;

19 (e) In obligations issued by banks for cooperatives, federal land
20 banks, federal intermediate credit banks, federal home loan banks, the
21 Federal Home Loan Bank Board, or any corporation designated in 31 U.S.C.
22 9101 as a wholly owned government corporation; in obligations,
23 participation certificates, or other instruments of or insured by or
24 fully guaranteed as to principal and interest by the Federal National
25 Mortgage Association or the Government National Mortgage Association; in
26 mortgages, obligations, or other securities which are or ever have been
27 sold by the Federal Home Loan Mortgage Corporation pursuant to section
28 305 or section 306 of the Federal Home Loan Mortgage Corporation Act, 12
29 U.S.C. 1454 et seq.; in obligations or other instruments or securities of
30 the Student Loan Marketing Association; or in obligations, participation,
31 securities, or other instruments of or issued by or fully guaranteed as

1 to principal and interest by any other agency of the United States. A
2 state credit union may issue and sell securities which are guaranteed
3 pursuant to section 306(g) of the National Housing Act, 12 U.S.C.
4 1721(g);

5 (f) In participation certificates evidencing a beneficial interest
6 in obligations or in a right to receive interest and principal
7 collections therefrom, which obligations have been subjected by one or
8 more government agencies to a trust or trusts for which any executive
9 department, agency, or instrumentality of the United States or
10 administrator thereof has been named to act as trustee;

11 (g) In share accounts or deposit accounts of any corporate central
12 credit union in which such investments are specifically authorized by the
13 board of directors of the credit union making the investment;

14 (h) In the shares, stock, or other obligations of any other
15 organization, not to exceed ten percent of the credit union's capital and
16 not to exceed five percent of the credit union's capital in any one
17 corporation's stock, bonds, or other obligations, unless otherwise
18 approved by the director. Such authority shall not include the power to
19 acquire control, directly or indirectly, of another financial
20 institution, nor invest in shares, stocks, or obligations of any
21 insurance company or trade association except as otherwise expressly
22 provided for or approved by the director;

23 (i) In the capital stock of the National Credit Union Administration
24 Central Liquidity Facility;

25 (j) In obligations of or issued by any state or political
26 subdivision thereof, including any agency, corporation, or
27 instrumentality of a state or political subdivision, except that no
28 credit union may invest more than ten percent of its capital in the
29 obligations of any one issuer, exclusive of general obligations of the
30 issuer;

31 (k) In securities issued pursuant to the Nebraska Business

1 Development Corporation Act;

2 (1) In participation loans with other credit unions, credit union
3 organizations, or other organizations; and

4 (m) In insurance policies and other investment products to fund
5 employee benefit plans for its employees, not to exceed fifteen percent
6 of the net worth of a credit union from a single issuer or twenty-five
7 percent of the net worth of a credit union in aggregate. Employee benefit
8 plan has the same meaning as in 29 U.S.C. 1002(3), as such section
9 existed on January 1, 2025 ~~2024~~. If the employee benefits arrangement
10 does not present a risk to the safety and soundness of the domestic
11 credit union as determined by the director, the purchase of those
12 investment products is not subject to the limitations of the Credit Union
13 Act.

14 (2) In addition to investments expressly permitted by the Credit
15 Union Act, a credit union may make any other type of investment approved
16 by the department by rule, regulation, or order.

17 **Sec. 25.** Section 21-17,115, Revised Statutes Cumulative Supplement,
18 2024, is amended to read:

19 21-17,115 Notwithstanding any of the other provisions of the Credit
20 Union Act or any other Nebraska statute, any credit union incorporated
21 under the laws of the State of Nebraska and organized under the
22 provisions of the act shall have all the rights, powers, privileges,
23 benefits, and immunities which may be exercised as of January 1, 2025
24 ~~2024~~, by a federal credit union doing business in Nebraska on the
25 condition that such rights, powers, privileges, benefits, and immunities
26 shall not relieve such credit union from payment of state taxes assessed
27 under any applicable laws of this state.

28 **Sec. 26.** Section 44-708, Reissue Revised Statutes of Nebraska, is
29 amended to read:

30 44-708 (1) Insurers authorized to deliver or issue for delivery life
31 insurance policies in this state may deliver or issue for delivery one or

1 more funding agreements, but the delivery or issuance for delivery of
2 funding agreements shall not be deemed the business of insurance, life
3 insurance or an annuity or other line of business as set forth in section
4 44-201, a security as defined in subdivision (14) ~~(15)~~ of section 8-1101,
5 or receipt of gross premiums as set forth in section 77-908. The delivery
6 or issuance for delivery of a funding agreement by an admitted life
7 insurer in this state shall constitute a lawful activity of that insurer
8 that is reasonably related to and incidental to its insurance activities
9 as provided in this section. However, this section shall not authorize
10 any insurer to transact, under the guise of funding agreements, any line
11 of insurance not authorized by its certificate of authority.

12 (2) No amounts shall be guaranteed or credited under any funding
13 agreement except upon reasonable assumptions as to investment income and
14 expenses and on a basis equitable to all holders of funding agreements of
15 a given class.

16 (3) Amounts paid to the insurer, and proceeds applied under optional
17 modes of settlement, under funding agreements may be allocated by the
18 insurer to one or more separate accounts.

19 (4) The Director of Insurance may adopt and promulgate rules and
20 regulations to implement this section, including rules and regulations
21 setting forth the terms and conditions under which an insurer may issue
22 funding agreements.

23 (5) Notwithstanding any other provision of law, the director shall
24 have sole authority to regulate the issuance and sale of funding
25 agreements, including the persons selling funding agreements on behalf of
26 insurers.

27 (6) Nothing in this section is intended to affect the order in which
28 allowed claims shall be given preference under section 44-4842. Holders
29 of funding agreements shall retain the priority in allowance of claims
30 described in subdivision (2) of section 44-4842.

31 (7) For purposes of this section, funding agreement means an

1 agreement that authorizes an admitted life insurer to accept funds and
2 that provides for an accumulation of those funds for the purpose of
3 making one or more payments at future dates in amounts that are not based
4 on mortality or morbidity contingencies. Funding agreement does not
5 include any agreement in connection with the funding of one or more
6 payments that are excludable from the gross income of the recipient under
7 section 104(a)(2) of the Internal Revenue Code.

8 **Sec. 27.** Section 45-101.04, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 45-101.04 The limitation on the rate of interest provided in section
11 45-101.03 shall not apply to:

12 (1) Other rates of interest authorized for loans made by any
13 licensee or permittee operating under a license or permit duly issued by
14 the Department of Banking and Finance pursuant to the Credit Union Act,
15 the Nebraska Installment Loan Act, subsection (4) of section 8-319, or
16 sections 8-815 to 8-829;

17 (2) Loans made to any corporation, partnership, limited liability
18 company, or trust;

19 (3) The guarantor or surety of any loan to a corporation,
20 partnership, limited liability company, or trust;

21 (4) Loans made when the aggregate principal amount of the
22 indebtedness is twenty-five thousand dollars or more of the borrower to
23 any one financial institution, licensee, or permittee;

24 (5) Loans insured, guaranteed, sponsored, or participated in, either
25 in whole or part, by any agency, department, or program of the United
26 States or state government;

27 (6) Loans or advances of money, repayable on demand, which are made
28 solely upon securities, as defined in subdivision (14) ~~(15)~~ of section
29 8-1101, pledged as collateral for such repayment and in which such loans
30 or advances are used by the borrower only for the purchase of securities
31 as so defined. It shall be lawful to contract for and receive any rate of

1 interest on such transaction as the parties thereto may expressly agree;

2 (7) Interest charges made on open credit accounts by a person who
3 sells goods or services on credit when the interest charges do not exceed
4 one and one-third percent per month for any charges which remain unpaid
5 for more than thirty days following rendition of the statement of
6 account;

7 (8) A minimum charge of ten dollars per loan which may be charged by
8 the lender in lieu of all interest charges;

9 (9) Loans described in subsection (4) of section 8-319 made by a
10 state or federal savings and loan association at a rate not to exceed
11 nineteen percent per annum;

12 (10) Loans made primarily for business or agricultural purposes or
13 secured by real property when such loans are made (a) by a licensee,
14 registrant, or permittee operating under a license, registration, or
15 permit duly issued by the Department of Banking and Finance except for
16 licensees operating under the Nebraska Installment Loan Act, (b) by any
17 financial institution insured by the Federal Deposit Insurance
18 Corporation or the National Credit Union Administration, or (c) by any
19 insurance company organized under the laws of this state and subject to
20 regulation by the Department of Insurance;

21 (11) Loans secured solely by real property when such loans are (a)
22 made by licensees operating under the Nebraska Installment Loan Act and
23 (b) made to finance or refinance the purchase of the property or
24 construction on or improvements to the property, if the Department of
25 Banking and Finance has the authority to examine such loans for
26 compliance with sections 45-101.02 and 45-101.03. A licensee making a
27 loan pursuant to this subdivision may obtain an interest in any fixtures
28 attached to such real property and any insurance proceeds payable in
29 connection with such real property or the loan;

30 (12) Loans secured by a reverse mortgage pursuant to section
31 45-702.01;

1 (13) Interest charges made on any goods or services sold under an
2 installment contract pursuant to the Nebraska Installment Sales Act.
3 Subject to section 45-338, it shall be lawful to contract for and receive
4 any rate of interest on such contract as the parties may expressly agree
5 to in writing; or

6 (14) Fees which may be charged by a licensee for services pursuant
7 to the Delayed Deposit Services Licensing Act.

8 **Sec. 28.** Section 45-190, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 45-190 For purposes of sections 45-189 to 45-191.11, unless the
11 context otherwise requires:

12 (1) Advance fee means any fee, deposit, or consideration which is
13 assessed or collected, prior to the closing of a loan, by a loan broker
14 and includes, but is not limited to, any money assessed or collected for
15 processing, appraisals, credit checks, consultations, or expenses;

16 (2) Borrower means a person obtaining or desiring to obtain a loan
17 of money;

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

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

20 (5)(a) Loan broker means any person who:

21 (i) For or in expectation of consideration from a borrower,
22 procures, attempts to procure, arranges, or attempts to arrange a loan of
23 money for a borrower;

24 (ii) For or in expectation of consideration from a borrower, assists
25 a borrower in making an application to obtain a loan of money;

26 (iii) Is employed as an agent for the purpose of soliciting
27 borrowers as clients of the employer; or

28 (iv) Holds himself or herself out, through advertising, signs, or
29 other means, as a loan broker; and

30 (b) Loan broker does not include: (i) A bank, bank holding company,
31 trust company, savings and loan association, credit union, or subsidiary

1 of a bank, savings and loan association, building and loan association,
2 or credit union which is subject to regulation or supervision under the
3 laws of the United States or any state; (ii) a mortgage banker or an
4 installment loan company licensed or registered under the laws of the
5 State of Nebraska; (iii) a credit card company; (iv) an insurance company
6 authorized to conduct business under the laws of the State of Nebraska;
7 or (v) a lender approved by the Federal Housing Administration or the
8 United States Department of Veterans Affairs, if the loan is secured or
9 covered by guarantees, commitments, or agreements to purchase or take
10 over the same by the Federal Housing Administration or the United States
11 Department of Veterans Affairs;

12 (6) Loan brokerage agreement means any agreement for services
13 between a loan broker and a borrower; and

14 (7) Person means natural persons, corporations, trusts,
15 unincorporated associations, joint ventures, partnerships, and limited
16 liability companies.

17 **Sec. 29.** Section 45-724, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 45-724 (1) Except as provided in subsection (2) of this section, an
20 applicant for a mortgage banker license or registration shall file with
21 the department a surety bond in the amount of one hundred thousand
22 dollars, furnished by a surety company authorized to do business in the
23 State of Nebraska. The surety bond also shall cover all mortgage loan
24 originators who are employees or independent agents of the applicant. The
25 bond shall be for the use of the State of Nebraska and any Nebraska
26 resident who may have claims or causes of action against the applicant or
27 against an individual who is a mortgage loan originator employed by, or
28 in an independent agent relationship with, the applicant. Submission of a
29 rider to an existing bond indicating that the required coverage is
30 outstanding and evidencing the beneficiaries required in this subsection
31 shall satisfy the requirements of this section. The bond or a substitute

1 bond shall remain in effect during all periods of licensing or
2 registration.

3 (2) Upon filing of the mortgage report of condition required by
4 section 45-726, a mortgage banker licensee or registrant shall maintain
5 or increase its surety bond to reflect the total dollar amount of the
6 closed residential mortgage loans originated or serviced in this state in
7 the preceding calendar year in accordance with the following table. A
8 licensee or registrant may decrease its surety bond in accordance with
9 the following table if the surety bond required is less than the amount
10 of the surety bond on file with the department.

11 Dollar Amount of Closed or Serviced

12 Residential Mortgage Loans	Surety Bond Required
13 \$0.00 to \$5,000,000.00	\$100,000.00
14 \$5,000,000.01 to \$10,000,000.00	\$125,000.00
15 \$10,000,000.01 to \$25,000,000.00	\$150,000.00
16 Over \$25,000,000.00	\$200,000.00

17 (3) Should the department determine that a mortgage banker licensee
18 or registrant does not maintain a surety bond in the amount required by
19 subsection (2) of this section, the department shall give written
20 notification to the mortgage banker licensee or registrant requiring him,
21 her, or it to increase the surety bond within thirty days to the amount
22 required by subsection (2) of this section.

23 (4) At any time the director may require the filing of a new or
24 supplemental bond in the form as provided in subsection (1) of this
25 section if he or she determines that the bond filed under subsection (1)
26 or (2) of this section is exhausted or is inadequate for any reason,
27 including the financial condition of the licensee, the registrant, or the
28 applicant for a license or registration. The new or supplemental bond
29 shall not exceed one million dollars.

30 **Sec. 30.** Section 59-1715, Reissue Revised Statutes of Nebraska, is
31 amended to read:

1 59-1715 A seller-assisted marketing plan shall not include a
2 security as defined by subdivision (14) ~~(15)~~ of section 8-1101.

3 **Sec. 31.** Section 59-1722, Revised Statutes Cumulative Supplement,
4 2024, is amended to read:

5 59-1722 (1) Any transaction involving the sale of a franchise as
6 defined in 16 C.F.R. 436.1(h), as such regulation existed on January 1,
7 2025 ~~2024~~, shall be exempt from the Seller-Assisted Marketing Plan Act,
8 except that such transactions shall be subject to subdivision (1)(d) of
9 section 59-1757, those provisions regulating or prescribing the use of
10 the phrase buy-back or secured investment or similar phrases as set forth
11 in sections 59-1726 to 59-1728 and 59-1751, and all sections which
12 provide for their enforcement. The exemption shall only apply if:

13 (a) The franchise is offered and sold in compliance with the
14 requirements of 16 C.F.R. part 436, Disclosure Requirements and
15 Prohibitions Concerning Franchising, as such part existed on January 1,
16 2025 ~~2024~~;

17 (b) Before placing any advertisement in a Nebraska-based
18 publication, offering for sale to any prospective purchaser in Nebraska,
19 or making any representations in connection with such offer or sale to
20 any prospective purchaser in Nebraska, the seller files a notice with the
21 Department of Banking and Finance which contains (i) the name, address,
22 and telephone number of the seller and the name under which the seller
23 intends to do business and (ii) a brief description of the plan offered
24 by the seller; and

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

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

31 (3) All funds collected by the department under this section shall

1 be remitted to the State Treasurer for credit to the Securities Act Cash
2 Fund.

3 (4) The Director of Banking and Finance may by order deny or revoke
4 an exemption specified in this section with respect to a particular
5 offering of one or more business opportunities if the director finds that
6 such an order is in the public interest or is necessary for the
7 protection of purchasers. An order shall not be entered without
8 appropriate prior notice to all interested parties, an opportunity for
9 hearing, and written findings of fact and conclusions of law. If the
10 public interest or the protection of purchasers so requires, the director
11 may by order summarily deny or revoke an exemption specified in this
12 section pending final determination of any proceedings under this
13 section. An order under this section shall not operate retroactively.

14 **Sec. 32.** Section 69-2103, Revised Statutes Cumulative Supplement,
15 2024, is amended to read:

16 69-2103 For purposes of the Consumer Rental Purchase Agreement Act:

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

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

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

26 (4) Consumer rental purchase agreement means an agreement which is
27 for the use of property by a consumer primarily for personal, family, or
28 household purposes, which is for an initial period of four months or
29 less, whether or not there is any obligation beyond the initial period,
30 which is automatically renewable with each payment, and which permits the
31 consumer to become the owner of the property. A consumer rental purchase

1 agreement in compliance with the act shall not be construed to be a lease
2 or agreement which constitutes a credit sale as defined in 12 C.F.R.
3 1026.2(a)(16), as such regulation existed on January 1, 2025 ~~2024~~, and 15
4 U.S.C. 1602(h), as such section existed on January 1, 2025 ~~2024~~, or a
5 lease which constitutes a consumer lease as defined in 12 C.F.R. 1013.2,
6 as such regulation existed on January 1, 2025 ~~2024~~. Consumer rental
7 purchase agreement does not include:

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

9 (b) Any lease made to an organization;

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

12 (d) A security interest as defined in subdivision (35) of section
13 1-201, Uniform Commercial Code; and

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

15 (5) Consummation means the occurrence of an event which causes a
16 consumer to become contractually obligated on a consumer rental purchase
17 agreement;

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

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

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

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

30 (10) Property means any property that is not real property under the
31 laws of this state when made available for a consumer rental purchase

1 agreement; and

2 (11) Total of payments to acquire ownership means the total of all
3 charges imposed by the lessor and payable by the consumer as a condition
4 of acquiring ownership of the property. Total of payments to acquire
5 ownership includes lease payments and any initial nonrefundable
6 administrative fee or required delivery charge but does not include
7 taxes, late charges, reinstatement fees, or charges for optional products
8 or services.

9 **Sec. 33.** Section 69-2104, Revised Statutes Cumulative Supplement,
10 2024, is amended to read:

11 69-2104 (1) Before entering into any consumer rental purchase
12 agreement, the lessor shall disclose to the consumer the following items
13 as applicable:

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

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

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

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

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

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

31 (g) A statement indicating whether the property is new or used. A

1 statement that indicates that new property is used shall not be a
2 violation of the Consumer Rental Purchase Agreement Act;

3 (h) A statement of the cash price of the property. When the
4 agreement involves a lease for two or more items, a statement of the
5 aggregate cash price of all items shall satisfy the requirement of this
6 subdivision;

7 (i) The total amount of the initial payments required to be paid
8 before consummation of the agreement or delivery of the property,
9 whichever occurs later, and an itemization of the components of the
10 initial payment, including any initial nonrefundable administrative fee
11 or delivery charge, lease payment, taxes, or fee or charge for optional
12 products or services;

13 (j) A statement clearly summarizing the terms of the consumer's
14 options to purchase, including a statement that at any time after the
15 first periodic payment is made the consumer may acquire ownership of the
16 property by tendering an amount which may not exceed fifty-five percent
17 of the difference between the total of payments to acquire ownership and
18 the total of lease payments the consumer has paid on the property at that
19 time;

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

26 (1) The date of the transaction and the names of the lessor and the
27 consumer.

28 (2) With respect to matters specifically governed by the federal
29 Consumer Credit Protection Act, 15 U.S.C. 1601 et seq., as such act
30 existed on January 1, 2025 ~~2024~~, compliance with such act shall satisfy
31 the requirements of this section.

1 (3) Subsection (1) of this section shall not apply to a lessor who
2 complies with the disclosure requirements of the federal Consumer Credit
3 Protection Act, 15 U.S.C. 1667a, as such section existed on January 1,
4 2025 2024, with respect to a consumer rental purchase agreement entered
5 into with a consumer.

6 **Sec. 34.** Section 69-2112, Revised Statutes Cumulative Supplement,
7 2024, is amended to read:

8 69-2112 (1) Any advertisement for a consumer rental purchase
9 agreement which refers to or states the amount of any payment or the
10 right to acquire ownership for any specific item shall also state clearly
11 and conspicuously the following if applicable:

12 (a) That the transaction advertised is a consumer rental purchase
13 agreement;

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

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

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

20 (3) Subsection (1) of this section shall not apply to an
21 advertisement which does not refer to a specific item of property, which
22 does not refer to or state the amount of any payment, or which is
23 published in the yellow pages of a telephone directory or any similar
24 directory of business.

25 (4) With respect to matters specifically governed by the federal
26 Consumer Credit Protection Act, 15 U.S.C. 1601 et seq., as such act
27 existed on January 1, 2025 2024, compliance with such act shall satisfy
28 the requirements of this section.

29 **Sec. 35.** Section 76-710.02, Reissue Revised Statutes of Nebraska, is
30 amended to read:

31 76-710.02 Whenever lands situated in an irrigation district are

1 acquired by any condemner through eminent domain, and such lands at the
2 time of their acquisition by any condemner, are irrigable and are being
3 served or are capable of being served by facilities of the district to
4 the same extent and in the same manner as lands of like character held
5 under private ownership were served, the condemner, as part of the
6 compensable damages of the acquisition and at the time of such
7 acquisition, shall make a lump-sum payment to the irrigation district in
8 an amount sufficient to:

9 (1) Pay the pro rata share of the district's bonded indebtedness, if
10 any, and the pro rata share of the district's contract indebtedness to
11 the United States or to the State of Nebraska, if any, allocable to such
12 lands, plus interest on such pro rata share in the event such
13 indebtedness is not callable in advance of maturity;

14 (2) Pay any deferred installments of local improvement district
15 assessments against such lands, if any; and

16 (3) Produce, if invested at an annual rate of interest equivalent to
17 ~~the rate of interest established in section 45-103 that set forth in~~
18 ~~current tables issued by the Director of Banking and Finance of the State~~
19 ~~of Nebraska,~~ a sum of money equal to the annual increase in operation and
20 maintenance costs against remaining lands in the district resulting from
21 the severance from the district of the lands thus acquired by the
22 condemner. For the purposes of determining the amount of such lump-sum
23 payment, the annual maintenance and operation assessment of the district
24 shall be considered to be the average for the ten years, or so many years
25 as the district has assessment experience, if less than ten years,
26 preceding the date of acquisition.

27 **Sec. 36.** Section 4A-108, Uniform Commercial Code, Revised Statutes
28 Cumulative Supplement, 2024, is amended to read:

29 4A-108 Relationship to federal Electronic Fund Transfer Act.

30 (a) Except as provided in subsection (b), this article does not
31 apply to a funds transfer any part of which is governed by the federal

1 Electronic Fund Transfer Act, 15 U.S.C. 1693 et seq., as such act existed
2 on January 1, 2025 ~~2024~~.

3 (b) This article applies to a funds transfer that is a remittance
4 transfer as defined in the federal Electronic Fund Transfer Act, 15
5 U.S.C. 1693o-1, as such section existed on January 1, 2025 ~~2024~~, unless
6 the remittance transfer is an electronic fund transfer as defined in the
7 federal Electronic Fund Transfer Act, 15 U.S.C. 1693a, as such section
8 existed on January 1, 2025 ~~2024~~.

9 (c) In a funds transfer to which this article applies, in the event
10 of an inconsistency between an applicable provision of this article and
11 an applicable provision of the federal Electronic Fund Transfer Act, the
12 provision of the federal Electronic Fund Transfer Act governs to the
13 extent of the inconsistency.

14 **Sec. 37.** Original sections 8-113, 8-157, 8-226, 8-305, 8-1506,
15 21-1725.01, 21-1728, 44-708, 45-101.04, 45-190, 45-724, 59-1715, and
16 76-710.02, Reissue Revised Statutes of Nebraska, sections 8-135, 8-141,
17 8-143.01, 8-157.01, 8-183.04, 8-1,140, 8-318, 8-355, 8-1101, 8-1101.01,
18 8-1704, 8-1707, 8-2724, 8-2903, 8-3005, 8-3007, 21-17,102, 21-17,115,
19 59-1722, 69-2103, 69-2104, and 69-2112, Revised Statutes Cumulative
20 Supplement, 2024, and section 4A-108, Uniform Commercial Code, Revised
21 Statutes Cumulative Supplement, 2024, are repealed.

22 **Sec. 38.** Since an emergency exists, this act takes effect when
23 passed and approved according to law.