

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 250

Introduced by Jacobson, 42.

Read first time January 14, 2025

Committee:

- 1 A BILL FOR AN ACT relating to banking; to amend section 8-126, Reissue
- 2 Revised Statutes of Nebraska; to change provisions relating to the
- 3 composition of the board of directors of a bank; and to repeal the
- 4 original section.
- 5 Be it enacted by the people of the State of Nebraska,

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

3 8-126 (1) Reasonable efforts shall be made for a A majority of the
4 members of the board of directors of any bank to ~~shall~~ have their
5 residences in this state, ~~or~~ within twenty-five miles of the main office
6 of the bank, in . ~~Reasonable efforts shall be made to acquire members of~~
7 ~~such board of directors from~~ the county in which the main office of such
8 bank is located, or in and ~~from~~ counties in which branches of such bank
9 are located.

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

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

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

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23 Nebraska, is repealed.