

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 838

Introduced by Jacobson, 42.

Read first time January 08, 2026

Committee: Banking, Commerce and Insurance

1 A BILL FOR AN ACT relating to banking and finance; to amend section
2 8-2901, Reissue Revised Statutes of Nebraska, and section 8-2903,
3 Revised Statutes Supplement, 2025; to define a term; to change
4 provisions relating to the financial exploitation of vulnerable or
5 senior adults; and to repeal the original sections.
6 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Section 8-2901, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 8-2901 For purposes of sections 8-2901 to 8-2903:

4 (1) Account means a contract of deposit of funds between the
5 depositor and a financial institution and:

6 (a) The account is owned by a vulnerable adult or senior adult,
7 whether individually or with one or more other persons; or

8 (b) A vulnerable adult or senior adult is a beneficiary of the
9 account, including a formal or informal trust account, a payable on death
10 account, a conservatorship account, or a guardianship account;

11 (2) Authorized contact means an adult person designated by a
12 vulnerable adult or senior adult to be contacted by a financial
13 institution in the event of an emergency, a loss of contact with the
14 customer, or suspected financial exploitation;

15 (3) (2) Department means the Department of Health and Human
16 Services;

17 (4) (3) Financial exploitation means:

18 (a) The wrongful or unauthorized taking, withholding, appropriation,
19 or use of the money, assets, or other property or the identifying
20 information of a vulnerable adult or senior adult by any person; or

21 (b) An act or omission by a person, including through the use of a
22 power of attorney on behalf of, or as the conservator or guardian of, a
23 vulnerable adult or senior adult, to:

24 (i) Obtain control, through deception, intimidation, fraud, or undue
25 influence, over the vulnerable adult's or senior adult's money, assets,
26 or other property to deprive the vulnerable adult or senior adult of the
27 ownership, use, benefit, or possession of the property; or

28 (ii) Convert the money, assets, or other property of a vulnerable
29 adult or senior adult to deprive a vulnerable adult or senior adult of
30 the ownership, use, benefit, or possession of the property;

31 (5) (4) Financial institution means a bank, savings bank, building

1 and loan association, savings and loan association, or credit union,
2 whether chartered by the Department of Banking and Finance, the United
3 States, or a foreign state agency; any other similar organization which
4 is covered by federal deposit insurance; a subsidiary or affiliate of any
5 such entity; or a trust company as defined in section 8-230;

6 (6) ~~(5)~~ Law enforcement agency has the same meaning as in section
7 28-359;

8 (7) ~~(6)~~ Senior adult has the same meaning as in section 28-366.01;

9 (8) ~~(7)~~ Transaction means any of the following as applicable to
10 services provided by a financial institution:

11 (a) A transfer or request to transfer or disburse funds or assets in
12 an account;

13 (b) A request to initiate a wire transfer, initiate an automated
14 clearinghouse transfer, or issue a money order, cashier's check, or
15 official check;

16 (c) A request to negotiate a check or other negotiable instrument;

17 (d) A request to change the ownership of, or access to, an account;

18 (e) A request for a loan, guarantee of a loan, extension of credit,
19 or draw on a line of credit;

20 (f) A request to encumber any movable or immovable property,
21 including real property, personal property, or fixtures; and

22 (g) A request to designate or change the designation of
23 beneficiaries to receive any property, benefit, or contract right for a
24 vulnerable adult or senior adult at death; and

25 (9) ~~(8)~~ Vulnerable adult has the same meaning as in section 28-371.

26 **Sec. 2.** Section 8-2903, Revised Statutes Supplement, 2025, is
27 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.

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.

27 (8) A financial institution shall not be civilly liable for choosing
28 not to implement an authorized contact program or for any actions or
29 omissions related to the administration of such a program, provided that
30 the financial institution has not acted with gross negligence or willful
31 misconduct. A financial institution shall not be liable for the actions

1 of an authorized contact.

2 (9) A financial institution shall be immune from any civil,
3 criminal, or administrative liability for declining to interact with an
4 authorized contact if the financial institution reasonably believes that:

5 (a) The authorized contact is, may be, or may have been engaged in
6 the financial exploitation of the vulnerable adult or senior adult; or

7 (b) Such interaction is not in the best interests of the vulnerable
8 adult or senior adult.

9 (10) A person designated as an authorized contact who acts in good
10 faith and exercises reasonable care in providing information to the
11 financial institution, or in assisting the financial institution or law
12 enforcement in an investigation of suspected financial exploitation,
13 shall be immune from any administrative, civil, or criminal liability
14 that might otherwise arise from such actions.

15 **Sec. 3.** Original section 8-2901, Reissue Revised Statutes of
16 Nebraska, and section 8-2903, Revised Statutes Supplement, 2025, are
17 repealed.