

directors of the bank. Loans that we make to the director or loans that we make to the businesses controlled by a director should also be put on the record so they're easily monitored by the department. That's the basic change in 321. We also move a sentence from one paragraph to another. That sentence is "any loans made pursuant to this section shall be subject to the lending limits set forth in Section 8-141", because the last time this area was amended they moved that sentence and the department wanted to make sure that all of the loans mentioned in this section are subject to the loan limit, not just the first half of the loans, the sentence was midway through the paragraph. They wanted it at the bottom of the paragraph, if you will, so it was clear it covered all loans. If you want to know what that is, by the way, the lending limit in 8-141 is a limitation that says that the bank may not make a loan of greater than 25 percent of its capital surplus debentures to any single corporation. So that's what we're referring to on the lending limit. I would move for the advancement of LB 321.

PRESIDENT: The question is the advancement of LB 321. All those in favor vote aye, opposed nay. Record, Mr. Clerk, please.

ASSISTANT CLERK: 28 ayes, 0 nays on the motion to advance the bill, Mr. President.

PRESIDENT: LB 321 advances. LB 322.

ASSISTANT CLERK: LB 322 was introduced by the Banking, Commerce and Insurance Committee. (Read title.) The bill was read for the first time on January 10. It was referred to the Banking Committee. They report the bill back to General File without committee amendments, Mr. President.

PRESIDENT: Senator Landis, please.

SENATOR LANDIS: Thank you, Mr. President. This is the matching Banking Department bill. It was brought to us by Cynthia Milligan. Currently, if you serve on the board of directors for a state chartered bank, there is an obligation that you own one share of stock. Now that old rule dates back 60 or 70 years. We asked Director Milligan why that rule was there. She turned around and asked the expert and they both shook their heads and scratched their brows and said, well, we don't know exactly why that rule is there but it's been there a long time. The only