



Ninety-Ninth Legislature - Second Session - 2006  
**Introducer's Statement of Intent**  
**LB 877**

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**Chairperson:** Mick Mines  
**Committee:** Banking, Commerce and Insurance  
**Date of Hearing:** January 17, 2006

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 877 is a bill introduced at the request of the Nebraska Department of Banking and Finance. Its primary purpose is to revise and update Section 8-148.04 of the Nebraska Banking Act which allows banks to make investments in community investment development companies (CDC).

LB 877 would change the maximum investment a bank can make in any one CDC entity from 5% of its capital and surplus to 10% of its capital and surplus. The overall aggregate amount of such investments will not change. This amendment will allow a bank to invest a greater amount in a CDC which is undertaking a number of projects, and would be of benefit to smaller Nebraska communities in their economic development plans.

**Principal Introducer:**

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**Mick Mines, Chairperson**  
**Committee on Banking, Commerce and Insurance**