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FLOOR DEBATE

February 1, 2006 LB 876

on the agenda, Mr. Clerk.

CLERK: Mr. President, LB 876 on General File, introduced by the Banking, Commerce and Insurance Committee. (Read title.) The bill was introduced on January 5 of this year, referred to the Banking Committee, advanced to General File. I do have committee amendments, Mr. President. (AM1997, Legislative Journal page 478.)

PRESIDENT SHEEHY: Go ahead with the amendment. Senator Mines, you're recognized to open on LB 876.

SENATOR MINES: Thank you, Mr. President. LB 876, from the Banking, Commerce and Insurance Committee, introduced at the request of the Department of Banking and Finance, would amend various sections regarding banking and finance. Let me go through those section by section. Section 1 would amend Section 8-141 of the Nebraska Banking Act, which sets forth the matter of determining the lending limits of individual state banks. This section would provide in that calculations involving a state bank's unimpaired capital and unimpaired surplus, or a state bank's paid-up capital and surplus, the Department of Banking and Finance may, by order, deny or limit the inclusion of goodwill in the calculation. This section would specifically provide that this is an exception to the state charter bank wild-card section, 8-1,140. Section 2 and 3...or, Sections 2 and 3 would amend Sections 8-178 and 8-179 of the Nebraska Banking Act, relating to the conversion of national banks to state-chartered banks, to provide specific procedures for the accompanying conversion of a trust company...excuse me, trust company business within the trust department of such converting national bank to trust company business within a trust department of the converted state-chartered bank. This was silent in previous statute, and this is a technical correction. Section 4 would amend Section 8-1,140 of the Nebraska Banking Act, which is the wild-card statute for state-chartered banks. This section would amend to give state-chartered banks the same rights, powers, privileges, benefits, and immunities which may be exercised by a national bank doing business in Nebraska as of the operative date of this section. This section would be subject to the bill's E clause,