

LEGISLATURE OF NEBRASKA  
ONE HUNDRED EIGHTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 92**

FINAL READING

Introduced by Slama, 1.

Read first time January 06, 2023

Committee: Banking, Commerce and Insurance

1 A BILL FOR AN ACT relating to law; to amend sections 8-101.03, 8-102,  
2 8-115, 8-135, 8-141, 8-143.01, 8-157.01, 8-183.04, 8-1,140, 8-318,  
3 8-355, 8-602, 8-1101, 8-1101.01, 8-1704, 8-1707, 8-2724, 8-2903,  
4 8-3002, 8-3003, 8-3004, 8-3005, 8-3007, 8-3008, 8-3011, 8-3012,  
5 8-3013, 8-3014, 8-3015, 8-3016, 8-3017, 8-3018, 8-3019, 8-3020,  
6 8-3021, 8-3022, 8-3023, 8-3025, 8-3026, 8-3028, 8-3030, 10-110,  
7 10-402, 10-403, 10-405, 10-507, 10-711, 10-804, 13-509, 21-17,115,  
8 44-319.02, 44-319.03, 44-319.06, 44-785, 44-1993, 44-2824, 44-2825,  
9 44-2827, 44-2831.01, 44-2832, 44-2833, 44-3308, 44-4054, 44-5140,  
10 45-191.01, 45-191.04, 45-735, 45-1002, 45-1003, 45-1006, 58-201, and  
11 76-1007, Reissue Revised Statutes of Nebraska, sections 44-7,102,  
12 44-5141, 59-1722, 69-2103, 69-2104, 69-2112, 77-6832, and 77-6841,  
13 Revised Statutes Cumulative Supplement, 2022, and section 4A-108,  
14 Uniform Commercial Code, Revised Statutes Cumulative Supplement,  
15 2022; to change provisions relating to the Commodity Code, the  
16 Consumer Rental Purchase Agreement Act, the Credit Union Act, the  
17 Imagine Nebraska Act, the Insurance Producers Licensing Act, the  
18 Insurers Investment Act, the Nebraska Banking Act, the Nebraska  
19 Financial Innovation Act, the Nebraska Hospital-Medical Liability  
20 Act, the Nebraska Installment Loan Act, the Nebraska Investment  
21 Finance Authority Act, the Nebraska Money Transmitters Act, the  
22 Nebraska Trust Deeds Act, the Residential Mortgage Licensing Act,

1 the Securities Act of Nebraska, the Seller-Assisted Marketing Plan  
2 Act, the Uniform Commercial Code—Funds Transfers, financial  
3 institutions, digital asset depositories, bonds secured by property  
4 tax levies, securities deposited for the benefit of policyholders  
5 and creditors of insurance companies, insurance coverage of breast  
6 examinations, insurance coverage of colon examinations, title  
7 insurance regulation, loan brokers, and the Olmstead Plan; to adopt  
8 updates to federal laws and regulations relating to financial  
9 institutions; to provide restrictions on insurance coverage of  
10 prescription insulin drugs and electronic delivery of communications  
11 related to health benefit plans; to adopt the Insurance Regulatory  
12 Sandbox Act; to provide a duty for the Revisor of Statutes; to  
13 provide operative dates; to repeal the original sections; and to  
14 declare an emergency.

15 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 8-101.03, Reissue Revised Statutes of Nebraska,  
2 is amended to read:

3 8-101.03 For purposes of the Nebraska Banking Act, unless the  
4 context otherwise requires:

5 (1) Access device means a code, a transaction card, or any other  
6 means of access to a customer's account, or any combination thereof, that  
7 may be used by a customer for the purpose of initiating an electronic  
8 funds transfer at an automatic teller machine or a point-of-sale  
9 terminal;

10 (2) Acquiring financial institution means any financial institution  
11 establishing a point-of-sale terminal;

12 (3) Automatic teller machine means a machine established and located  
13 in the State of Nebraska, whether attended or unattended, which utilizes  
14 electronic, sound, or mechanical signals or impulses, or any combination  
15 thereof, and from which electronic funds transfers may be initiated and  
16 at which banking transactions as defined in section 8-157.01 may be  
17 conducted. An unattended automatic teller machine shall not be deemed to  
18 be a branch operated by a financial institution;

19 (4) Automatic teller machine surcharge means a fee that an operator  
20 of an automatic teller machine imposes upon a consumer for an electronic  
21 funds transfer, if such operator is not the financial institution that  
22 holds an account of such consumer from which the electronic funds  
23 transfer is to be made;

24 (5) Bank or banking corporation means any incorporated banking  
25 institution which was incorporated under the laws of this state as they  
26 existed prior to May 9, 1933, and any corporation duly organized under  
27 the laws of this state for the purpose of conducting a bank within this  
28 state under the act. Bank means any such banking institution which is, in  
29 addition to the exercise of other powers, following the practice of  
30 repaying deposits upon check, draft, or order and of making loans. Bank  
31 or banking corporation includes a digital asset depository institution as

1 defined in section 8-3003. Notwithstanding the provisions of this  
2 subdivision, a digital asset depository institution is subject to the  
3 provisions of subdivision (2)(b) of section 8-3005;

4 (6)(a) Bank subsidiary means a corporation or limited liability  
5 company that:

6 (i) Has a bank as a shareholder, member, or investor; and

7 (ii) Is organized for purposes of engaging in activities which are  
8 part of the business of banking or incidental to such business except for  
9 the receipt of deposits.

10 (b) A bank subsidiary may include a corporation organized under the  
11 Nebraska Financial Innovation Act.

12 (c) A bank subsidiary is not to be considered a branch of its bank  
13 shareholder;

14 (7) Capital or capital stock means capital stock;

15 (8) Data processing center means a facility, wherever located, at  
16 which electronic impulses or other indicia of a transaction originating  
17 at an automatic teller machine are received and either authorized or  
18 routed to a switch or other data processing center in order to enable the  
19 automatic teller machine to perform any function for which it is  
20 designed;

21 (9) Department means the Department of Banking and Finance;

22 (10) Digital asset depository means a financial institution that  
23 securely holds liquid assets when such assets are in the form of  
24 controllable electronic records, either as a corporation organized,  
25 chartered, and operated pursuant to the Nebraska Financial Innovation Act  
26 as a digital asset depository institution, or a financial institution  
27 operating a digital asset depository business as a digital asset  
28 depository department under a charter granted ~~grant of authority~~ by the  
29 director;

30 (11) Director means the Director of Banking and Finance;

31 (12) Financial institution means a bank, savings bank, building and

1 loan association, savings and loan association, or credit union, whether  
2 chartered by the United States, the department, or a foreign state  
3 agency; any other similar organization which is covered by federal  
4 deposit insurance; a trust company; or a digital asset depository that is  
5 not a digital asset depository institution;

6 (13) Financial institution employees includes parent holding company  
7 and affiliate employees;

8 (14) Foreign state agency means any duly constituted regulatory or  
9 supervisory agency which has authority over financial institutions and  
10 which is created under the laws of any other state, any territory of the  
11 United States, Puerto Rico, Guam, American Samoa, the Trust Territory of  
12 the Pacific Islands, or the Virgin Islands or which is operating under  
13 the code of law for the District of Columbia;

14 (15) Impulse means an electronic, sound, or mechanical impulse, or  
15 any combination thereof;

16 (16) Insolvent means a condition in which (a) the actual cash market  
17 value of the assets of a bank is insufficient to pay its liabilities to  
18 its depositors, (b) a bank is unable to meet the demands of its creditors  
19 in the usual and customary manner, (c) a bank, after demand in writing by  
20 the director, fails to make good any deficiency in its reserves as  
21 required by law, or (d) the stockholders of a bank, after written demand  
22 by the director, fail to make good an impairment of its capital or  
23 surplus;

24 (17) Making loans includes advances or credits that are initiated by  
25 means of credit card or other transaction card. Transaction card and  
26 other transactions, including transactions made pursuant to prior  
27 agreements, may be brought about and transmitted by means of an  
28 electronic impulse. Such loan transactions including transactions made  
29 pursuant to prior agreements shall be subject to sections 8-815 to 8-829  
30 and shall be deemed loans made at the place of business of the financial  
31 institution;

1 (18) Order includes orders transmitted by electronic transmission;

2 (19) Point-of-sale terminal means an information processing terminal  
3 which utilizes electronic, sound, or mechanical signals or impulses, or  
4 any combination thereof, which are transmitted to a financial institution  
5 or which are recorded for later transmission to effectuate electronic  
6 funds transfer transactions for the purchase or payment of goods and  
7 services and which are initiated by an access device. A point-of-sale  
8 terminal is not a branch operated by a financial institution. Any  
9 terminal owned or operated by a seller of goods and services shall be  
10 connected directly or indirectly to an acquiring financial institution;  
11 and

12 (20) Switch means any facility where electronic impulses or other  
13 indicia of a transaction originating at an automatic teller machine are  
14 received and are routed and transmitted to a financial institution or  
15 data processing center, wherever located. A switch may also be a data  
16 processing center.

17 Sec. 2. Section 8-102, Reissue Revised Statutes of Nebraska, is  
18 amended to read:

19 8-102 (1) The department shall, under the laws of this state  
20 specifically made applicable to each, have general supervision and  
21 control over banks, trust companies, credit unions, building and loan  
22 associations, savings and loan associations, and digital asset  
23 depositories, all of which are hereby declared to be quasi-public in  
24 nature and subject to regulation and control by the state.

25 (2) The director may prescribe conditions on banks, trust companies,  
26 credit unions, building and loan associations, savings and loan  
27 associations, and digital asset depositories, and their holding  
28 companies, if any, as part of any written order, decision, or  
29 determination required to be made pursuant to the Credit Union Act, the  
30 Nebraska Banking Act, the Nebraska Financial Innovation Act, and Chapter  
31 8, article 3.

1           Sec. 3. Section 8-115, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3           8-115 No corporation shall conduct a bank or digital asset  
4 depository in this state without having first obtained a charter ~~or under~~  
5 ~~a grant of authority in the case of a digital asset depository~~ in the  
6 manner provided in the Nebraska Banking Act or the Nebraska Financial  
7 Innovation Act, respectively.

8           Sec. 4. Section 8-135, Reissue Revised Statutes of Nebraska, is  
9 amended to read:

10          8-135 (1) All persons, regardless of age, may become depositors in  
11 any bank and shall be subject to the same duties and liabilities  
12 respecting their deposits. Whenever a deposit is accepted by any bank in  
13 the name of any person, regardless of age, the deposit may be withdrawn  
14 by the depositor by any of the following methods:

15          (a) Check or other instrument in writing. The check or other  
16 instrument in writing constitutes a receipt or acquittance if the check  
17 or other instrument in writing is signed by the depositor and constitutes  
18 a valid release and discharge to the bank for all payments so made; or

19          (b) Electronic means through:

20           (i) Preauthorized direct withdrawal;

21           (ii) An automatic teller machine;

22           (iii) A debit card;

23           (iv) A transfer by telephone;

24           (v) A network, including the Internet; or

25           (vi) Any electronic terminal, computer, magnetic tape, or other  
26 electronic means.

27          (2) All persons, individually or with others and regardless of age,  
28 may enter into an agreement with a bank for the lease of a safe deposit  
29 box and shall be bound by the terms of the agreement.

30          (3) This section shall not be construed to affect the rights,  
31 liabilities, or responsibilities of participants in an electronic fund

1 transfer under the federal Electronic Fund Transfer Act, 15 U.S.C. 1693  
2 et seq., as such act existed on January 1, 2023 ~~2022~~, and shall not  
3 affect the legal relationships between a minor and any person other than  
4 the bank.

5 Sec. 5. Section 8-141, Reissue Revised Statutes of Nebraska, is  
6 amended to read:

7 8-141 (1) No bank shall directly or indirectly loan to any single  
8 corporation, limited liability company, firm, or individual, including in  
9 such loans all loans made to the several members or shareholders of such  
10 corporation, limited liability company, or firm, for the use and benefit  
11 of such corporation, limited liability company, firm, or individual, more  
12 than twenty-five percent of the paid-up capital, surplus, and capital  
13 notes and debentures or fifteen percent of the unimpaired capital and  
14 unimpaired surplus of such bank, whichever is greater. Such limitations  
15 shall be subject to the following exceptions:

16 (a) Obligations of any person, partnership, limited liability  
17 company, association, or corporation in the form of notes or drafts  
18 secured by shipping documents or instruments transferring or securing  
19 title covering livestock or giving a lien on livestock, when the market  
20 value of the livestock securing the obligation is not at any time less  
21 than one hundred fifteen percent of the face amount of the notes covered  
22 by such documents, shall be subject under this section to a limitation of  
23 ten percent of such capital, surplus, and capital notes and debentures or  
24 ten percent of such unimpaired capital and unimpaired surplus, whichever  
25 is greater, in addition to such twenty-five percent of such capital and  
26 surplus or such fifteen percent of such unimpaired capital and unimpaired  
27 surplus;

28 (b) Obligations of any person, partnership, limited liability  
29 company, association, or corporation secured by not less than a like  
30 amount of bonds or notes of the United States issued since April 24,  
31 1917, or certificates of indebtedness of the United States, treasury



1 bills of the United States, or obligations fully guaranteed both as to  
2 principal and interest by the United States shall be subject under this  
3 section to a limitation of ten percent of such capital, surplus, and  
4 capital notes and debentures or ten percent of such unimpaired capital  
5 and unimpaired surplus, whichever is greater, in addition to such twenty-  
6 five percent of such capital and surplus or such fifteen percent of such  
7 unimpaired capital and unimpaired surplus;

8 (c) Obligations of any person, partnership, limited liability  
9 company, association, or corporation which are secured by negotiable  
10 warehouse receipts in an amount not less than one hundred fifteen percent  
11 of the face amount of the note or notes secured by such documents shall  
12 be subject under this section to a limitation of ten percent of such  
13 capital, surplus, and capital notes and debentures or ten percent of such  
14 unimpaired capital and unimpaired surplus, whichever is greater, in  
15 addition to such twenty-five percent of such capital and surplus or such  
16 fifteen percent of such unimpaired capital and unimpaired surplus; or

17 (d) Obligations of any person, partnership, limited liability  
18 company, association, or corporation which are secured by readily  
19 marketable collateral having a market value, as determined by reliable  
20 and continuously available price quotations, in an amount at least equal  
21 to the face amount of the note or notes secured by such collateral, shall  
22 be subject under this section to a limitation of ten percent of such  
23 capital, surplus, and capital notes and debentures or ten percent of such  
24 unimpaired capital and unimpaired surplus, whichever is greater, in  
25 addition to such twenty-five percent of such capital and surplus or such  
26 fifteen percent of such unimpaired capital and unimpaired surplus.

27 (2)(a) For purposes of this section, the discounting of bills of  
28 exchange, drawn in good faith against actually existing values, and the  
29 discounting of commercial paper actually owned by the persons negotiating  
30 the bills of exchange or commercial paper shall not be considered as the  
31 lending of money.

1 (b) Loans or obligations shall not be subject to any limitation  
2 under this section, based upon such capital and surplus or such  
3 unimpaired capital and unimpaired surplus, to the extent that such  
4 capital and surplus or such unimpaired capital and unimpaired surplus are  
5 secured or covered by guaranties, or by commitments or agreements to take  
6 over or to purchase such capital and surplus or such unimpaired capital  
7 and unimpaired surplus, made by any federal reserve bank or by the United  
8 States Government or any authorized agency thereof, including any  
9 corporation wholly owned directly or indirectly by the United States, or  
10 general obligations of any state of the United States or any political  
11 subdivision of the state. The phrase general obligation of any state or  
12 any political subdivision of the state means an obligation supported by  
13 the full faith and credit of an obligor possessing general powers of  
14 taxation, including property taxation, but does not include municipal  
15 revenue bonds and sanitary and improvement district warrants which are  
16 subject to the limitations set forth in this section.

17 (c) Any bank may subscribe to, invest in, purchase, and own single-  
18 family mortgages secured by the Federal Housing Administration or the  
19 United States Department of Veterans Affairs and mortgage-backed  
20 certificates of the Government National Mortgage Association which are  
21 guaranteed as to payment of principal and interest by the Government  
22 National Mortgage Association. Such mortgages and certificates shall not  
23 be subject under this section to any limitation based upon such capital  
24 and surplus or such unimpaired capital and unimpaired surplus.

25 (d) Obligations representing loans to any national banking  
26 association or to any banking institution organized under the laws of any  
27 state, when such loans are approved by the director by rule and  
28 regulation or otherwise, shall not be subject under this section to any  
29 limitation based upon such capital and surplus or such unimpaired capital  
30 and unimpaired surplus.

31 (e) Loans or extensions of credit secured by a segregated deposit

1 account in the lending bank shall not be subject under this section to  
2 any limitation based on such capital and surplus or such unimpaired  
3 capital and unimpaired surplus. The director may adopt and promulgate  
4 rules and regulations governing the terms and conditions of such security  
5 interest and segregated deposit account.

6 (f) For the purpose of determining lending limits, partnerships  
7 shall not be treated as separate entities. Each individual shall be  
8 charged with his or her personal debt plus the debt of every partnership  
9 in which he or she is a partner, except that for purposes of this section  
10 (a) an individual shall only be charged with the debt of any limited  
11 partnership in which he or she is a partner to the extent that the terms  
12 of the limited partnership agreement provide that such individual is to  
13 be held liable for the debts or actions of such limited partnership and  
14 (b) no individual shall be charged with the debt of any general  
15 partnership in which he or she is a partner beyond the extent to which  
16 (i) his or her liability for such partnership debt is limited by the  
17 terms of a contract or other written agreement between the bank and such  
18 individual and (ii) any personal debt of such individual is incurred for  
19 the use and benefit of such general partnership.

20 (3) A loan made within lending limits at the initial time the loan  
21 was made may be renewed, extended, or serviced without regard to changes  
22 in the lending limit of a bank following the initial extension of the  
23 loan if (a) the renewal, extension, or servicing of the loan does not  
24 result in the extension of funds beyond the initial amount of the loan or  
25 (b) the accrued interest on the loan is not added to the original amount  
26 of the loan in the process of renewal, extension, or servicing.

27 (4) Any bank may purchase or take an interest in life insurance  
28 contracts for any purpose incidental to the business of banking. A bank's  
29 purchase of any life insurance contract, as measured by its cash  
30 surrender value, from any one life insurance company shall not at any  
31 time exceed twenty-five percent of the paid-up capital, surplus, and

1 capital notes and debentures of such bank or fifteen percent of the  
2 unimpaired capital and unimpaired surplus of such bank, whichever is  
3 greater. A bank's purchase of life insurance contracts, as measured by  
4 their cash surrender values, in the aggregate from all life insurance  
5 companies shall not at any time exceed thirty-five percent of the paid-up  
6 capital, surplus, undivided profits, and capital notes and debentures of  
7 such bank. The limitations under this subsection on a bank's purchase of  
8 life insurance contracts, in the aggregate from all life insurance  
9 companies, shall not apply to any contract purchased prior to April 5,  
10 1994.

11 (5) On and after January 21, 2013, the director has the authority to  
12 determine the manner and extent to which credit exposure resulting from  
13 derivative transactions, repurchase agreements, reverse repurchase  
14 agreements, securities lending transactions, and securities borrowing  
15 transactions shall be taken into account for purposes of determining  
16 compliance with this section. In making such determinations, the director  
17 may, but is not required to, act by rule and regulation or order.

18 (6) For purposes of this section:

19 (a) Derivative transaction means any transaction that is a contract,  
20 agreement, swap, warrant, note, or option that is based, in whole or in  
21 part, on the value of, any interest in, or any quantitative measure or  
22 the occurrence of any event relating to, one or more commodities,  
23 securities, currencies, interest or other rates, indices, or other  
24 assets;

25 (b) Loan includes:

26 (i) All direct and indirect advances of funds to a person made on  
27 the basis of any obligation of that person to repay the funds or  
28 repayable from specific property pledged by or on behalf of that person;

29 (ii) To the extent specified by rule and regulation or order of the  
30 director, any liability of a state bank to advance funds to or on behalf  
31 of a person pursuant to a contractual commitment; and

1 (iii) Any credit exposure to a person arising from a derivative  
2 transaction, repurchase agreement, reverse repurchase agreement,  
3 securities lending transaction, or securities borrowing transaction  
4 between the bank and the person; and

5 (c) Unimpaired capital and unimpaired surplus means:

6 (i) For qualifying banks that have elected to use the community bank  
7 leverage ratio framework, as set forth under the Capital Adequacy  
8 Standards of the appropriate federal banking agency:

9 (A) The bank's tier 1 capital as reported according to the capital  
10 guidelines of the appropriate federal banking agency; and

11 (B) The bank's allowance for loan and lease losses or allowance for  
12 credit losses, as applicable, as reported in the most recent consolidated  
13 report of condition filed under 12 U.S.C. 1817(a)(3), as such section  
14 existed on January 1, 2023 ~~2022~~; and

15 (ii) For all other banks:

16 (A) The bank's tier 1 and tier 2 capital included in the bank's  
17 risk-based capital under the capital guidelines of the appropriate  
18 federal banking agency, based on the bank's most recent consolidated  
19 report of condition filed under 12 U.S.C. 1817(a)(3), as such section  
20 existed on January 1, 2023 ~~2022~~; and

21 (B) The balance of the bank's allowance for loan and lease losses  
22 not included in the bank's tier 2 capital for purposes of the calculation  
23 of risk-based capital by the appropriate federal banking agency, based on  
24 the bank's most recent consolidated report of condition filed under 12  
25 U.S.C. 1817(a)(3), as such section existed on January 1, 2023 ~~2022~~.

26 (7) Notwithstanding the provisions of section 8-1,140, the director  
27 may, by order, deny or limit the inclusion of goodwill in the calculation  
28 of a bank's unimpaired capital and unimpaired surplus or in the  
29 calculation of a bank's paid-up capital and surplus.

30 Sec. 6. Section 8-143.01, Reissue Revised Statutes of Nebraska, is  
31 amended to read:

1           8-143.01 (1) No bank shall extend credit to any of its executive  
2 officers, directors, or principal shareholders or to any related interest  
3 of such persons in an amount that, when aggregated with the amount of all  
4 other extensions of credit by the bank to that person and to all related  
5 interests of that person, exceeds the higher of twenty-five thousand  
6 dollars or five percent of the bank's unimpaired capital and unimpaired  
7 surplus unless (a) the extension of credit has been approved in advance  
8 by a majority vote of the entire board of directors of the bank, a record  
9 of which shall be made and kept as a part of the records of such bank,  
10 and (b) the interested party has abstained from participating directly or  
11 indirectly in such vote.

12           (2) No bank shall extend credit to any of its executive officers,  
13 directors, or principal shareholders or to any related interest of such  
14 persons in an amount that, when aggregated with the amount of all other  
15 extensions of credit by the bank to that person and to all related  
16 interests of that person, exceeds five hundred thousand dollars except by  
17 complying with the requirements of subdivisions (1)(a) and (b) of this  
18 section.

19           (3) No bank shall extend credit to any of its executive officers,  
20 and no such executive officer shall borrow from or otherwise become  
21 indebted to his or her bank, except in the amounts and for the purposes  
22 set forth in subsection (4) of this section.

23           (4) A bank shall be authorized to extend credit to any of its  
24 executive officers:

25           (a) In any amount to finance the education of such executive  
26 officer's children;

27           (b)(i) In any amount to finance or refinance the purchase,  
28 construction, maintenance, or improvement of a residence of such  
29 executive officer if the extension of credit is secured by a first lien  
30 on the residence and the residence is owned or is expected to be owned  
31 after the extension of credit by the executive officer and (ii) in the

1 case of a refinancing, only the amount of the refinancing used to repay  
2 the original extension of credit, together with the closing costs of the  
3 refinancing, and any additional amount thereof used for any of the  
4 purposes enumerated in this subdivision are included within this category  
5 of credit;

6 (c) In any amount if the extension of credit is (i) secured by a  
7 perfected security interest in bonds, notes, certificates of  
8 indebtedness, or treasury bills of the United States or in other such  
9 obligations fully guaranteed as to principal and interest by the United  
10 States, (ii) secured by unconditional takeout commitments or guarantees  
11 of any department, agency, bureau, board, commission, or establishment of  
12 the United States or any corporation wholly owned directly or indirectly  
13 by the United States, or (iii) secured by a perfected security interest  
14 in a segregated deposit account in the lending bank; or

15 (d) For any other purpose not specified in subdivisions (a), (b),  
16 and (c) of this subsection if the aggregate amount of such other  
17 extensions of credit to such executive officer does not exceed, at any  
18 one time, the greater of two and one-half percent of the bank's  
19 unimpaired capital and unimpaired surplus or twenty-five thousand  
20 dollars, but in no event greater than one hundred thousand dollars or the  
21 amount of the bank's lending limit as prescribed in section 8-141,  
22 whichever is less.

23 (5)(a) Except as provided in subdivision (b) or (c) of this  
24 subsection, any executive officer shall make, on an annual basis, a  
25 written report to the board of directors of the bank of which he or she  
26 is an executive officer stating the date and amount of all loans or  
27 indebtedness on which he or she is a borrower, cosigner, or guarantor,  
28 the security therefor, and the purpose for which the proceeds have been  
29 or are to be used.

30 (b) Except as provided in subdivision (c) of this subsection, in  
31 lieu of the reports required by subdivision (a) of this subsection, the

1 board of directors of a bank may obtain a credit report from a recognized  
2 credit agency, on an annual basis, for any or all of its executive  
3 officers.

4 (c) Subdivisions (a) and (b) of this subsection do not apply to any  
5 executive officer if such officer is excluded by a resolution of the  
6 board of directors or by the bylaws of the bank from participating in the  
7 major policymaking functions of the bank and does not actually  
8 participate in the major policymaking functions of the bank.

9 (6) No bank shall extend credit to any of its executive officers,  
10 directors, or principal shareholders or to any related interest of such  
11 persons in an amount that, when aggregated with the amount of all other  
12 extensions of credit by the bank to that person and to all related  
13 interests of that person, exceeds the lending limit of the bank as  
14 prescribed in section 8-141.

15 (7)(a) Except as provided in subdivision (b) of this subsection, no  
16 bank shall extend credit to any of its executive officers, directors, or  
17 principal shareholders or to any related interest of such persons unless  
18 the extension of credit (i) is made on substantially the same terms,  
19 including interest rates and collateral, as, and following credit-  
20 underwriting procedures that are not less stringent than, those  
21 prevailing at the time for comparable transactions by the bank with other  
22 persons that are not covered by this section and who are not employed by  
23 the bank and (ii) does not involve more than the normal risk of repayment  
24 or present other unfavorable features.

25 (b) Nothing in subdivision (a) of this subsection shall prohibit any  
26 extension of credit made by a bank pursuant to a benefit or compensation  
27 program under the provisions of 12 C.F.R. 215.4(a)(2), as such regulation  
28 existed on January 1, 2023 ~~2022~~.

29 (8) For purposes of this section:

30 (a) Executive officer means a person who participates or has  
31 authority to participate, other than in the capacity of director, in the



1 major policymaking functions of the bank, whether or not the officer has  
2 an official title, the title designates such officer as an assistant, or  
3 such officer is serving without salary or other compensation. Executive  
4 officer includes the chairperson of the board of directors, the  
5 president, all vice presidents, the cashier, the corporate secretary, and  
6 the treasurer, unless the executive officer is excluded by a resolution  
7 of the board of directors or by the bylaws of the bank from  
8 participating, other than in the capacity of director, in the major  
9 policymaking functions of the bank, and the executive officer does not  
10 actually participate in such functions. A manager or assistant manager of  
11 a branch of a bank shall not be considered to be an executive officer  
12 unless such individual participates or is authorized to participate in  
13 the major policymaking functions of the bank; and

14 (b) Unimpaired capital and unimpaired surplus means the sum of:

15 (i) The total equity capital of the bank reported on its most recent  
16 consolidated report of condition filed under section 8-166;

17 (ii) Any subordinated notes and debentures approved as an addition  
18 to the bank's capital structure by the appropriate federal banking  
19 agency; and

20 (iii) Any valuation reserves created by charges to the bank's income  
21 reported on its most recent consolidated report of condition filed under  
22 section 8-166.

23 (9) Any executive officer, director, or principal shareholder of a  
24 bank or any other person who intentionally violates this section or who  
25 aids, abets, or assists in a violation of this section is guilty of a  
26 Class IV felony.

27 (10) The Director of Banking and Finance may adopt and promulgate  
28 rules and regulations to carry out this section, including rules and  
29 regulations defining or further defining terms used in this section,  
30 consistent with the provisions of 12 U.S.C. 84 and implementing  
31 Regulation 0 as such section and regulation existed on January 1, 2023

1 2022.

2 Sec. 7. Section 8-157.01, Reissue Revised Statutes of Nebraska, is  
3 amended to read:

4 8-157.01 (1) Any establishing financial institution may establish  
5 and maintain any number of automatic teller machines at which all banking  
6 transactions, defined as receiving deposits of every kind and nature and  
7 crediting such to customer accounts, cashing checks and cash withdrawals,  
8 transferring funds from checking accounts to savings accounts,  
9 transferring funds from savings accounts to checking accounts,  
10 transferring funds from either checking accounts and savings accounts to  
11 accounts of other customers, transferring payments from customer accounts  
12 into accounts maintained by other customers of the financial institution  
13 or the financial institution, including preauthorized draft authority,  
14 preauthorized loans, and credit transactions, receiving payments payable  
15 at the financial institution or otherwise, account balance inquiry, and  
16 any other transaction incidental to the business of the financial  
17 institution or which will provide a benefit to the financial  
18 institution's customers or the general public, may be conducted. Any  
19 automatic teller machine owned by a nonfinancial institution third party  
20 shall be sponsored by an establishing financial institution. Neither such  
21 automatic teller machines nor the transactions conducted thereat shall be  
22 construed as the establishment of a branch or as branch banking.

23 (2) Any financial institution may become a user financial  
24 institution by agreeing to pay the establishing financial institution the  
25 automatic teller machine usage fee. Such agreement shall be implied by  
26 the use of such automatic teller machines.

27 (3)(a)(i) All automatic teller machines shall be made available on a  
28 nondiscriminating basis for use by Nebraska customers of a user financial  
29 institution and (ii) all Nebraska automatic teller machine transactions  
30 initiated by Nebraska customers of a user financial institution shall be  
31 made on a nondiscriminating basis.

1 (b) It shall not be deemed discrimination if (i) an automatic teller  
2 machine does not offer the same transaction services as other automatic  
3 teller machines, (ii) there are no automatic teller machine usage fees  
4 charged between affiliate financial institutions for the use of automatic  
5 teller machines, (iii) the automatic teller machine usage fees of an  
6 establishing financial institution that authorizes and directly or  
7 indirectly routes Nebraska automatic teller machine transactions to  
8 multiple switches, all of which comply with the requirements of  
9 subdivision (3)(d) of this section, differ solely based upon the fees  
10 established by the switches, (iv) automatic teller machine usage fees  
11 differ based upon whether the transaction initiated at an automatic  
12 teller machine is subject to a surcharge or provided on a surcharge-free  
13 basis, or (v) the automatic teller machines established or sponsored by  
14 an establishing financial institution are made available for use by  
15 Nebraska customers of any user financial institution which agrees to pay  
16 the automatic teller machine usage fee and which conforms to the  
17 operating rules and technical standards established by the switch to  
18 which a Nebraska automatic teller machine transaction is directly or  
19 indirectly routed.

20 (c) The director, upon notice and after a hearing, may terminate or  
21 suspend the use of any automatic teller machine if he or she determines  
22 that the automatic teller machine is not made available on a  
23 nondiscriminating basis or that Nebraska automatic teller machine  
24 transactions initiated at such automatic teller machine are not made on a  
25 nondiscriminating basis.

26 (d) A switch (i) shall provide to all financial institutions that  
27 have a main office or approved branch located in the State of Nebraska  
28 and that conform to the operating rules and technical standards  
29 established by the switch an equal opportunity to participate in the  
30 switch for the use of and access thereto; (ii) shall be capable of  
31 operating to accept and route Nebraska automatic teller machine

1 transactions, whether receiving data from an automatic teller machine, an  
2 establishing financial institution, or a data processing center; and  
3 (iii) shall be capable of being directly or indirectly connected to every  
4 data processing center for any automatic teller machine.

5 (e) The director, upon notice and after a hearing, may terminate or  
6 suspend the operation of any switch with respect to all Nebraska  
7 automatic teller machine transactions if he or she determines that the  
8 switch is not being operated in the manner required under subdivision (3)  
9 (d) of this section.

10 (f) Subject to the requirement for a financial institution to comply  
11 with this subsection, no user financial institution or establishing  
12 financial institution shall be required to become a member of any  
13 particular switch.

14 (4) Any consumer initiating an electronic funds transfer at an  
15 automatic teller machine for which an automatic teller machine surcharge  
16 will be imposed shall receive notice in accordance with the provisions of  
17 15 U.S.C. 1693b(d)(3)(A) and (B), as such section existed on January 1,  
18 2023 ~~2022~~. Such notice shall appear on the screen of the automatic teller  
19 machine or appear on a paper notice issued from such machine after the  
20 transaction is initiated and before the consumer is irrevocably committed  
21 to completing the transaction.

22 (5) A point-of-sale terminal may be established at any point within  
23 this state by a financial institution, a group of two or more financial  
24 institutions, or a combination of a financial institution or financial  
25 institutions and a third party or parties. Such parties may contract with  
26 a seller of goods and services or any other third party for the operation  
27 of point-of-sale terminals.

28 (6) A seller of goods and services or any other third party on whose  
29 premises one or more point-of-sale terminals are established shall not  
30 be, solely by virtue of such establishment, a financial institution and  
31 shall not be subject to the laws governing, or other requirements imposed

1 on, financial institutions, except for the requirement that it faithfully  
2 perform its obligations in connection with any transaction originated at  
3 any point-of-sale terminal on its premises.

4 (7) Nothing in this section shall be construed to prohibit nonbank  
5 employees from assisting in transactions originated at automatic teller  
6 machines or point-of-sale terminals, and such assistance shall not be  
7 deemed to be engaging in the business of banking.

8 (8)(a) Annually by September 1, any entity operating as a switch in  
9 Nebraska shall file a notice with the department setting forth its name,  
10 address, and contact information for an officer authorized to answer  
11 inquiries related to its operations in Nebraska.

12 (b) Any entity intending to operate in Nebraska as a switch shall  
13 file a notice with the department setting forth its name, address, and  
14 contact information for an officer authorized to answer inquiries related  
15 to its operations in Nebraska. Such notice shall be filed at least thirty  
16 days prior to the date on which the switch commences operations, and  
17 thereafter annually by September 1.

18 (9) Nothing in this section prohibits ordinary clearinghouse  
19 transactions between financial institutions.

20 (10) Nothing in this section shall prevent any financial institution  
21 which has a main chartered office or an approved branch located in the  
22 State of Nebraska from participating in a national automatic teller  
23 machine program to allow its customers to use automatic teller machines  
24 located outside of the State of Nebraska which are established by out-of-  
25 state financial institutions or foreign financial institutions or to  
26 allow customers of out-of-state financial institutions or foreign  
27 financial institutions to use its automatic teller machines. Such  
28 participation and any automatic teller machine usage fees charged or  
29 received pursuant to the national automatic teller machine program or  
30 usage fees charged for the use of its automatic teller machines by  
31 customers of out-of-state financial institutions or foreign financial

1 institutions shall not be considered for purposes of determining (a) if  
2 an automatic teller machine has been made available or Nebraska automatic  
3 teller machine transactions have been made on a nondiscriminating basis  
4 for use by Nebraska customers of a user financial institution or (b) if a  
5 switch complies with subdivision (3)(d) of this section.

6 (11) An agreement to operate or share an automatic teller machine  
7 may not prohibit, limit, or restrict the right of the operator or owner  
8 of the automatic teller machine to charge a customer conducting a  
9 transaction using an account from a foreign financial institution an  
10 access fee or surcharge not otherwise prohibited under state or federal  
11 law.

12 (12) Switch fees shall not be subject to this section or be  
13 regulated by the department.

14 (13) Nothing in this section shall prevent a group of two or more  
15 credit unions, each of which has a main chartered office or an approved  
16 branch located in the State of Nebraska, from participating in a credit  
17 union service organization organized on or before January 1, 2015, for  
18 the purpose of owning automatic teller machines, provided that all  
19 participating credit unions have an ownership interest in the credit  
20 union service organization and that the credit union service organization  
21 has an ownership interest in each of the participating credit unions'  
22 automatic teller machines. Such participation and any automatic teller  
23 machine usage fees associated with Nebraska automatic teller machine  
24 transactions initiated by customers of participating credit unions at  
25 such automatic teller machines shall not be considered for purposes of  
26 determining if such automatic teller machines have been made available on  
27 a nondiscriminating basis or if Nebraska automatic teller machine  
28 transactions initiated at such automatic teller machines have been made  
29 on a nondiscriminating basis, provided that all Nebraska automatic teller  
30 machine transactions initiated by customers of participating credit  
31 unions result in the same automatic teller machine usage fees for

1 essentially the same service routed over the same switch.

2 (14) Nebraska automatic teller machine usage fees and any agreements  
3 relating to Nebraska automatic teller machine usage fees shall comply  
4 with subsection (3) of this section.

5 (15) For purposes of this section:

6 (a) Access means the ability to utilize an automatic teller machine  
7 or a point-of-sale terminal to conduct permitted banking transactions or  
8 purchase goods and services electronically;

9 (b) Account means a checking account, a savings account, a share  
10 account, or any other customer asset account held by a financial  
11 institution. Such an account may also include a line of credit which a  
12 financial institution has agreed to extend to its customer;

13 (c) Affiliate financial institution means any financial institution  
14 which is a subsidiary of the same bank holding company;

15 (d) Automatic teller machine usage fee means any per transaction fee  
16 established by a switch or otherwise established on behalf of an  
17 establishing financial institution and collected from the user financial  
18 institution and paid to the establishing financial institution for the  
19 use of the automatic teller machine. An automatic teller machine usage  
20 fee shall not include switch fees;

21 (e) Electronic funds transfer means any transfer of funds, other  
22 than a transaction originated by check, draft, or similar paper  
23 instrument, that is initiated through a point-of-sale terminal, an  
24 automatic teller machine, or a personal terminal for the purpose of  
25 ordering, instructing, or authorizing a financial institution to debit or  
26 credit an account;

27 (f) Essentially the same service means the same Nebraska automatic  
28 teller machine transaction offered by an establishing financial  
29 institution irrespective of the user financial institution, the Nebraska  
30 customer of which initiates the Nebraska automatic teller machine  
31 transaction. A Nebraska automatic teller machine transaction that is

1 subject to a surcharge is not essentially the same service as the same  
2 banking transaction for which a surcharge is not imposed;

3 (g) Establishing financial institution means any financial  
4 institution which has a main chartered office or approved branch located  
5 in the State of Nebraska that establishes or sponsors an automatic teller  
6 machine or any out-of-state financial institution that establishes or  
7 sponsors an automatic teller machine;

8 (h) Financial institution means a bank, savings bank, building and  
9 loan association, savings and loan association, or credit union, whether  
10 chartered by the department, the United States, or a foreign state  
11 agency; any other similar organization which is covered by federal  
12 deposit insurance; or a subsidiary of any such entity;

13 (i) Foreign financial institution means a financial institution  
14 located outside the United States;

15 (j) Nebraska automatic teller machine transaction means a banking  
16 transaction as defined in subsection (1) of this section which is (i)  
17 initiated at an automatic teller machine established in whole or in part  
18 or sponsored by an establishing financial institution, (ii) for an  
19 account of a Nebraska customer of a user financial institution, and (iii)  
20 processed through a switch regardless of whether it is routed directly or  
21 indirectly from an automatic teller machine;

22 (k) Personal terminal means a personal computer and telephone,  
23 wherever located, operated by a customer of a financial institution for  
24 the purpose of initiating a transaction affecting an account of the  
25 customer;

26 (l) Sponsoring an automatic teller machine means the acceptance of  
27 responsibility by an establishing financial institution for compliance  
28 with all provisions of law governing automatic teller machines and  
29 Nebraska automatic teller machine transactions in connection with an  
30 automatic teller machine owned by a nonfinancial institution third party;

31 (m) Switch fee means a fee established by a switch and assessed to a



1 user financial institution or to an establishing financial institution  
2 other than an automatic teller machine usage fee; and

3 (n) User financial institution means any financial institution which  
4 has a main chartered office or approved branch located in the State of  
5 Nebraska which avails itself of and provides its customers with automatic  
6 teller machine services.

7 Sec. 8. Section 8-183.04, Reissue Revised Statutes of Nebraska, is  
8 amended to read:

9 8-183.04 (1) Notwithstanding any other provision of the Nebraska  
10 Banking Act or any other Nebraska law, a state or federal savings  
11 association which was formed and in operation as a mutual savings  
12 association as of July 15, 1998, may elect to retain its mutual form of  
13 corporate organization upon conversion to a state bank.

14 (2) All references to shareholders or stockholders for state banks  
15 shall be deemed to be references to members for such a converted savings  
16 association.

17 (3) The amount and type of capital required for such a converted  
18 savings association shall be as required for federal mutual savings  
19 associations in 12 C.F.R. 5.21, as such regulation existed on January 1,  
20 2023 ~~2022~~, except that if at any time the department determines that the  
21 capital of such a converted savings association is impaired, the director  
22 may require the members to make up the capital impairment.

23 (4) The director may adopt and promulgate rules and regulations  
24 governing such converted mutual savings associations. In adopting and  
25 promulgating such rules and regulations, the director may consider the  
26 provisions of sections 8-301 to 8-384 governing savings associations in  
27 mutual form of corporate organization.

28 Sec. 9. Section 8-1,140, Reissue Revised Statutes of Nebraska, is  
29 amended to read:

30 8-1,140 Notwithstanding any of the other provisions of the Nebraska  
31 Banking Act or any other Nebraska statute, any bank incorporated under

1 the laws of this state and organized under the provisions of the act, or  
2 under the laws of this state as they existed prior to May 9, 1933, shall  
3 directly, or indirectly through a department, a subsidiary, or  
4 subsidiaries, have all the rights, powers, privileges, benefits, and  
5 immunities which may be exercised as of January 1, 2023 ~~2022~~, by a  
6 federally chartered bank doing business in Nebraska, including the  
7 exercise of all powers and activities that are permitted for a financial  
8 subsidiary of a federally chartered bank. Such rights, powers,  
9 privileges, benefits, and immunities shall not relieve such bank from  
10 payment of state taxes assessed under any applicable laws of this state.

11 Sec. 10. Section 8-318, Reissue Revised Statutes of Nebraska, is  
12 amended to read:

13 8-318 (1)(a) Shares of stock in any association, or in any federal  
14 savings and loan association incorporated under the provisions of the  
15 federal Home Owners' Loan Act, with its principal office and place of  
16 business in this state, may be subscribed for, held, transferred,  
17 surrendered, withdrawn, and forfeited and payments thereon received and  
18 receipted for by any person, regardless of age, in the same manner and  
19 with the same binding effect as though such person were of the age of  
20 majority, except that a minor or his or her estate shall not be bound on  
21 his or her subscription to stock except to the extent of payments  
22 actually made thereon.

23 (b) Whenever a share account is accepted by any building and loan  
24 association in the name of any person, regardless of age, the deposit may  
25 be withdrawn by the shareholder by any of the following methods:

26 (i) Check or other instrument in writing. The check or other  
27 instrument in writing constitutes a receipt or acquittance if the check  
28 or other instrument in writing is signed by the shareholder and  
29 constitutes a valid release in discharge to the building and loan  
30 association for all payments so made; or

31 (ii) Electronic means through:

- 1 (A) Preauthorized direct withdrawal;
- 2 (B) An automatic teller machine;
- 3 (C) A debit card;
- 4 (D) A transfer by telephone;
- 5 (E) A network, including the Internet; or
- 6 (F) Any electronic terminal, computer, magnetic tape, or other  
7 electronic means.

8 (c) This section shall not be construed to affect the rights,  
9 liabilities, or responsibilities of participants in an electronic fund  
10 transfer under the federal Electronic Fund Transfer Act, 15 U.S.C. 1693  
11 et seq., as it existed on January 1, ~~2023~~ 2022, and shall not affect the  
12 legal relationships between a minor and any person other than the  
13 building and loan association.

14 (2) All trustees, guardians, personal representatives,  
15 administrators, and conservators appointed by the courts of this state  
16 may invest and reinvest in, acquire, make withdrawals in whole or in  
17 part, hold, transfer, or make new or additional investments in or  
18 transfers of shares of stock in any (a) building and loan association  
19 organized under the laws of the State of Nebraska or (b) federal savings  
20 and loan association incorporated under the provisions of the federal  
21 Home Owners' Loan Act, having its principal office and place of business  
22 in this state, without an order of approval from any court.

23 (3) Trustees created solely by the terms of a trust instrument may  
24 invest in, acquire, hold, and transfer such shares, and make withdrawals,  
25 in whole or in part, therefrom, without any order of court, unless  
26 expressly limited, restricted, or prohibited therefrom by the terms of  
27 such trust instrument.

28 (4) All building and loan associations referred to in this section  
29 are qualified to act as trustee or custodian within the provisions of the  
30 federal Self-Employed Individuals Tax Retirement Act of 1962, as amended,  
31 or under the terms and provisions of section 408(a) of the Internal

1 Revenue Code, if the provisions of such retirement plan require the funds  
2 of such trust or custodianship to be invested exclusively in shares or  
3 accounts in the association or in other associations. If any such  
4 retirement plan, within the judgment of the association, constitutes a  
5 qualified plan under the federal Self-Employed Individuals Tax Retirement  
6 Act of 1962, or under the terms and provisions of section 408(a) of the  
7 Internal Revenue Code, and the regulations promulgated thereunder at the  
8 time the trust was established and accepted by the association, is  
9 subsequently determined not to be such a qualified plan or subsequently  
10 ceases to be such a qualified plan, in whole or in part, the association  
11 may continue to act as trustee of any deposits theretofore made under  
12 such plan and to dispose of the same in accordance with the directions of  
13 the member and beneficiaries thereof. No association, in respect to  
14 savings made under this section, shall be required to segregate such  
15 savings from other assets of the association. The association shall keep  
16 appropriate records showing in proper detail all transactions engaged in  
17 under the authority of this section.

18 Sec. 11. Section 8-355, Reissue Revised Statutes of Nebraska, is  
19 amended to read:

20 8-355 Notwithstanding any of the provisions of Chapter 8, article 3,  
21 or any other Nebraska statute, except as provided in section 8-345.02,  
22 any association incorporated under the laws of the State of Nebraska and  
23 organized under the provisions of such article shall have all the rights,  
24 powers, privileges, benefits, and immunities which may be exercised as of  
25 January 1, 2023 ~~2022~~, by a federal savings and loan association doing  
26 business in Nebraska. Such rights, powers, privileges, benefits, and  
27 immunities shall not relieve such association from payment of state taxes  
28 assessed under any applicable laws of this state.

29 Sec. 12. Section 8-602, Reissue Revised Statutes of Nebraska, is  
30 amended to read:

31 8-602 The Director of Banking and Finance shall charge and collect

1 fees for certain services rendered by the Department of Banking and  
2 Finance according to the following schedule:

3 (1) For filing and examining articles of incorporation, articles of  
4 association, and bylaws, except credit unions, one hundred dollars, and  
5 for credit unions, fifty dollars;

6 (2) For filing and examining an amendment to articles of  
7 incorporation, articles of association, and bylaws, except credit unions,  
8 fifty dollars, and for credit unions, fifteen dollars;

9 (3) For issuing to banks, credit card banks, trust companies, and  
10 building and loan associations a charter, authority, or license to do  
11 business in this state, a sum which shall be determined on the basis of  
12 one dollar and fifty cents for each one thousand dollars of authorized  
13 capital, except that the minimum fee in each case shall be two hundred  
14 twenty-five dollars;

15 (4) For issuing to digital asset depositories under the Nebraska  
16 Financial Innovation Act a charter, ~~an authority, or a license~~ to do  
17 business in this state, the sum of fifty thousand dollars;

18 (5) For issuing an executive officer's or loan officer's license,  
19 fifty dollars at the time of the initial license, except credit unions  
20 for which the fee shall be twenty-five dollars at the time of the initial  
21 license;

22 (6) For affixing certificate and seal, five dollars;

23 (7) For making substitution of securities held by it and issuing a  
24 receipt, fifteen dollars;

25 (8) For issuing a certificate of approval to a credit union, ten  
26 dollars;

27 (9) For investigating the applications required by sections 8-117,  
28 8-120, 8-331, and 8-2402 and the documents required by section 8-201, the  
29 cost of such examination, investigation, and inspection, including all  
30 legal expenses and the cost of any hearing transcript, with a minimum fee  
31 under (a) sections 8-117, 8-120, and 8-2402 of two thousand five hundred

1 dollars, (b) section 8-331 of two thousand dollars, and (c) section 8-201  
2 of one thousand dollars. The department may require the applicant to  
3 procure and give a surety bond in such principal amount as the department  
4 may determine and conditioned for the payment of the fees provided in  
5 this subdivision;

6 (10) For the handling of pledged securities as provided in sections  
7 8-210, ~~and 8-2727,~~ and 8-3022 at the time of the initial deposit of such  
8 securities, one dollar and fifty cents for each thousand dollars of  
9 securities deposited and a like amount on or before January 15 each year  
10 thereafter. The fees shall be paid by the entity pledging the securities;

11 (11) For investigating an application to move its location within  
12 the city or village limits of its original license or charter for banks,  
13 trust companies, and building and loan associations, two hundred fifty  
14 dollars;

15 (12) For investigating an application under subdivision (6) of  
16 section 8-115.01, five hundred dollars;

17 (13) For investigating an application for approval to establish or  
18 acquire a branch pursuant to section 8-157 or 8-2103 or to establish a  
19 mobile branch pursuant to section 8-157, two hundred fifty dollars;

20 (14) For investigating a notice of acquisition of control under  
21 subsection (1) of section 8-1502, five hundred dollars;

22 (15) For investigating an application for a cross-industry merger  
23 under section 8-1510, five hundred dollars;

24 (16) For investigating an application for a merger of two state  
25 banks, a merger of a state bank and a national bank in which the state  
26 bank is the surviving entity, or an interstate merger application in  
27 which the Nebraska state chartered bank is the resulting bank, five  
28 hundred dollars;

29 (17) For investigating an application or a notice to establish a  
30 branch trust office, five hundred dollars;

31 (18) For investigating an application or a notice to establish a

1 representative trust office, five hundred dollars;

2 (19) For investigating an application to establish a credit union  
3 branch under section 21-1725.01, two hundred fifty dollars;

4 (20) For investigating an applicant under section 8-1513, five  
5 thousand dollars;

6 (21) For investigating a request to extend a conditional bank  
7 charter under section 8-117, one thousand dollars; and

8 (22) For investigating an application to establish a branch office,  
9 for a merger or an acquisition of control, or for a request to extend a  
10 conditional charter for a digital asset depository, five hundred dollars.

11 Sec. 13. Section 8-1101, Reissue Revised Statutes of Nebraska, is  
12 amended to read:

13 8-1101 For purposes of the Securities Act of Nebraska, unless the  
14 context otherwise requires:

15 (1) Agent means any individual other than a broker-dealer who  
16 represents a broker-dealer or issuer in effecting or attempting to effect  
17 sales of securities, but agent does not include an individual who  
18 represents (a) an issuer in (i) effecting a transaction in a security  
19 exempted by subdivision (6), (7), or (8) of section 8-1110, (ii)  
20 effecting certain transactions exempted by section 8-1111, (iii)  
21 effecting transactions in a federal covered security as described in  
22 section 18(b)(3) of the Securities Act of 1933, or (iv) effecting  
23 transactions with existing employees, limited liability company members,  
24 partners, or directors of the issuer or any of its subsidiaries if no  
25 commission or other remuneration is paid or given directly or indirectly  
26 for soliciting any person in this state or (b) a broker-dealer in  
27 effecting transactions described in section 15(h)(2) of the Securities  
28 Exchange Act of 1934. A partner, limited liability company member,  
29 officer, or director of a broker-dealer is an agent only if he or she  
30 otherwise comes within this definition;

31 (2) Broker-dealer means any person engaged in the business of

1 effecting transactions in securities for the account of others or for his  
2 or her own account. Broker-dealer does not include (a) an issuer-dealer,  
3 agent, bank, savings institution, or trust company, (b) an issuer  
4 effecting a transaction in its own security exempted by subdivision (5)  
5 (a), (b), (c), (d), (e), or (f) of section 8-1110 or which qualifies as a  
6 federal covered security pursuant to section 18(b)(1) of the Securities  
7 Act of 1933, (c) a person who has no place of business in this state if  
8 he or she effects transactions in this state exclusively with or through  
9 the issuers of the securities involved in the transactions, other broker-  
10 dealers, or banks, savings institutions, credit unions, trust companies,  
11 insurance companies, investment companies as defined in the Investment  
12 Company Act of 1940, pension or profit-sharing trusts, or other financial  
13 institutions or institutional buyers, whether acting for themselves or as  
14 trustees, (d) a person who has no place of business in this state if  
15 during any period of twelve consecutive months he or she does not direct  
16 more than five offers to sell or to buy into this state in any manner to  
17 persons other than those specified in subdivision (2)(c) of this section,  
18 or (e) a person who is a resident of Canada and who has no office or  
19 other physical presence in Nebraska if the following conditions are  
20 satisfied: (i) The person must be registered with, or be a member of, a  
21 securities self-regulatory organization in Canada or a stock exchange in  
22 Canada; (ii) the person must maintain, in good standing, its provisional  
23 or territorial registration or membership in a securities self-regulatory  
24 organization in Canada, or stock exchange in Canada; (iii) the person  
25 effects, or attempts to effect, (A) a transaction with or for a Canadian  
26 client who is temporarily present in this state and with whom the  
27 Canadian broker-dealer had a bona fide customer relationship before the  
28 client entered this state or (B) a transaction with or for a Canadian  
29 client in a self-directed tax advantaged retirement plan in Canada of  
30 which that client is the holder or contributor; and (iv) the person  
31 complies with all provisions of the Securities Act of Nebraska relating



1 to the disclosure of material information in connection with the  
2 transaction;

3 (3) Department means the Department of Banking and Finance. Director  
4 means the Director of Banking and Finance of the State of Nebraska except  
5 as further provided in section 8-1120;

6 (4) Federal covered adviser means a person who is registered under  
7 section 203 of the Investment Advisers Act of 1940;

8 (5) Federal covered security means any security described as a  
9 covered security under section 18(b) of the Securities Act of 1933 or  
10 rules and regulations under the act;

11 (6) Guaranteed means guaranteed as to payment of principal,  
12 interest, or dividends;

13 (7) Investment adviser means any person who for compensation engages  
14 in the business of advising others, either directly or through  
15 publications or writings, as to the value of securities or as to the  
16 advisability of investing in, purchasing, or selling securities or who  
17 for compensation and as a part of a regular business issues or  
18 promulgates analyses or reports concerning securities. Investment adviser  
19 also includes financial planners and other persons who, as an integral  
20 component of other financially related services, provide the foregoing  
21 investment advisory services to others for compensation and as part of a  
22 business or who hold themselves out as providing the foregoing investment  
23 advisory services to others for compensation. Investment adviser does not  
24 include (a) an investment adviser representative, (b) a bank, savings  
25 institution, or trust company, (c) a lawyer, accountant, engineer, or  
26 teacher whose performance of these services is solely incidental to the  
27 practice of his or her profession, (d) a broker-dealer or its agent whose  
28 performance of these services is solely incidental to its business as a  
29 broker-dealer and who receives no special compensation for them, (e) an  
30 issuer-dealer, (f) a publisher of any bona fide newspaper, news column,  
31 newsletter, news magazine, or business or financial publication or

1 service, whether communicated in hard copy form, by electronic means, or  
2 otherwise which does not consist of the rendering of advice on the basis  
3 of the specific investment situation of each client, (g) a person who has  
4 no place of business in this state if (i) his or her only clients in this  
5 state are other investment advisers, federal covered advisers, broker-  
6 dealers, banks, savings institutions, credit unions, trust companies,  
7 insurance companies, investment companies as defined in the Investment  
8 Company Act of 1940, pension or profit-sharing trusts, or other financial  
9 institutions or institutional buyers, whether acting for themselves or as  
10 trustees, or (ii) during the preceding twelve-month period, he or she has  
11 had five or fewer clients who are residents of this state other than  
12 those persons specified in subdivision (g)(i) of this subdivision, (h)  
13 any person that is a federal covered adviser or is excluded from the  
14 definition of investment adviser under section 202 of the Investment  
15 Adviser Act of 1940, or (i) such other persons not within the intent of  
16 this subdivision as the director may by rule and regulation or order  
17 designate;

18 (8) Investment adviser representative means any partner, limited  
19 liability company member, officer, or director or any person occupying a  
20 similar status or performing similar functions of a partner, limited  
21 liability company member, officer, or director or other individual,  
22 except clerical or ministerial personnel, who is employed by or  
23 associated with an investment adviser that is registered or required to  
24 be registered under the Securities Act of Nebraska or who has a place of  
25 business located in this state and is employed by or associated with a  
26 federal covered adviser, and who (a) makes any recommendations or  
27 otherwise renders advice regarding securities, (b) manages accounts or  
28 portfolios of clients, (c) determines which recommendation or advice  
29 regarding securities should be given, (d) solicits, offers, or negotiates  
30 for the sale of or sells investment advisory services, or (e) supervises  
31 employees who perform any of the foregoing;

1           (9) Issuer means any person who issues or proposes to issue any  
2 security, except that (a) with respect to certificates of deposit,  
3 voting-trust certificates, or collateral-trust certificates or with  
4 respect to certificates of interest or shares in an unincorporated  
5 investment trust not having a board of directors, or persons performing  
6 similar functions, or of the fixed, restricted management, or unit type,  
7 the term issuer means the person or persons performing the acts and  
8 assuming the duties of depositor or manager pursuant to the provisions of  
9 the trust or other agreement or instrument under which the security is  
10 issued and (b) with respect to a fractional or pooled interest in a  
11 viatical settlement contract, issuer means the person who creates, for  
12 the purpose of sale, the fractional or pooled interest. In the case of a  
13 viatical settlement contract that is not fractionalized or pooled, issuer  
14 means the person effecting a transaction with a purchaser of such  
15 contract;

16           (10) Issuer-dealer means (a) any issuer located in the State of  
17 Nebraska or (b) any issuer which registered its securities by  
18 qualification who proposes to sell to the public of the State of Nebraska  
19 the securities that it issues without the benefit of another registered  
20 broker-dealer. Such securities shall have been approved for sale in the  
21 State of Nebraska pursuant to section 8-1104;

22           (11) Nonissuer means not directly or indirectly for the benefit of  
23 the issuer;

24           (12) Person means an individual, a corporation, a partnership, a  
25 limited liability company, an association, a joint-stock company, a trust  
26 in which the interests of the beneficiaries are evidenced by a security,  
27 an unincorporated organization, a government, or a political subdivision  
28 of a government;

29           (13) Sale or sell includes every contract of sale of, contract to  
30 sell, or disposition of a security or interest in a security for value.  
31 Offer or offer to sell includes every attempt or offer to dispose of, or

1 solicitation of an offer to buy, a security or interest in a security for  
2 value. Any security given or delivered with or as a bonus on account of  
3 any purchase of securities or any other thing is considered to constitute  
4 part of the subject of the purchase and to have been offered and sold for  
5 value. A purported gift of assessable stock shall be considered to  
6 involve an offer and sale. Every sale or offer of a warrant or right to  
7 purchase or subscribe to another security of the same or another issuer,  
8 as well as every sale or offer of a security which gives the holder a  
9 present or future right or privilege to convert into another security of  
10 the same or another issuer, shall be considered to include an offer of  
11 the other security;

12 (14) Securities Act of 1933, Securities Exchange Act of 1934,  
13 Investment Advisers Act of 1940, Investment Company Act of 1940,  
14 Commodity Exchange Act, and the federal Interstate Land Sales Full  
15 Disclosure Act means the acts as they existed on January 1, 2023 ~~2022~~;

16 (15) Security means any note, stock, treasury stock, bond,  
17 debenture, units of beneficial interest in a real estate trust, evidence  
18 of indebtedness, certificate of interest or participation in any profit-  
19 sharing agreement, collateral-trust certificate, preorganization  
20 certificate or subscription, transferable share, investment contract,  
21 viatical settlement contract or any fractional or pooled interest in such  
22 contract, membership interest in any limited liability company organized  
23 under Nebraska law or any other jurisdiction unless otherwise excluded  
24 from this definition, voting-trust certificate, certificate of deposit  
25 for a security, certificate of interest or participation in an oil, gas,  
26 or mining title or lease or in payments out of production under such a  
27 title or lease, in general any interest or instrument commonly known as a  
28 security, or any certificate of interest or participation in, temporary  
29 or interim certificate for, guarantee of, or warrant or right to  
30 subscribe to or purchase any of the foregoing. Security does not include  
31 any insurance or endowment policy or annuity contract issued by an

1 insurance company. Security also does not include a membership interest  
2 in a limited liability company when all of the following exist: (a) The  
3 member enters into a written commitment to be engaged actively and  
4 directly in the management of the limited liability company; and (b) all  
5 members of the limited liability company are actively engaged in the  
6 management of the limited liability company. For the limited purposes of  
7 determining professional malpractice insurance premiums, a security  
8 issued through a transaction that is exempted pursuant to subdivision  
9 (23) of section 8-1111 shall not be considered a security;

10 (16) State means any state, territory, or possession of the United  
11 States as well as the District of Columbia and Puerto Rico; and

12 (17) Viatical settlement contract means an agreement for the  
13 purchase, sale, assignment, transfer, devise, or bequest of all or any  
14 portion of the death benefit or ownership of a life insurance policy or  
15 contract for consideration which is less than the expected death benefit  
16 of the life insurance policy or contract. Viatical settlement contract  
17 does not include (a) the assignment, transfer, sale, devise, or bequest  
18 of a death benefit of a life insurance policy or contract made by the  
19 viator to an insurance company or to a viatical settlement provider or  
20 broker licensed pursuant to the Viatical Settlements Act, (b) the  
21 assignment of a life insurance policy or contract to a bank, savings  
22 bank, savings and loan association, credit union, or other licensed  
23 lending institution as collateral for a loan, or (c) the exercise of  
24 accelerated benefits pursuant to the terms of a life insurance policy or  
25 contract and consistent with applicable law.

26 Sec. 14. Section 8-1101.01, Reissue Revised Statutes of Nebraska, is  
27 amended to read:

28 8-1101.01 For purposes of the Securities Act of Nebraska:

29 (1) Federal rules and regulations adopted under the Investment  
30 Advisors Act of 1940 or the Securities Act of 1933 means such rules and  
31 regulations as they existed on January 1, 2023 ~~2022~~; and

1 (2) Fair practice or ethical rules or standards promulgated by the  
2 Securities and Exchange Commission, the Financial Industry Regulatory  
3 Authority, or a self-regulatory organization approved by the Securities  
4 and Exchange Commission means such practice, rules, or standards as they  
5 existed on January 1, 2023 ~~2022~~.

6 Sec. 15. Section 8-1704, Reissue Revised Statutes of Nebraska, is  
7 amended to read:

8 8-1704 CFTC rule shall mean any rule, regulation, or order of the  
9 Commodity Futures Trading Commission in effect on January 1, 2023 ~~2022~~.

10 Sec. 16. Section 8-1707, Reissue Revised Statutes of Nebraska, is  
11 amended to read:

12 8-1707 Commodity Exchange Act shall mean the act of Congress known  
13 as the Commodity Exchange Act, 7 U.S.C. 1, as amended on January 1, 2023  
14 ~~2022~~.

15 Sec. 17. Section 8-2724, Reissue Revised Statutes of Nebraska, is  
16 amended to read:

17 8-2724 (1) The requirement for a license under the Nebraska Money  
18 Transmitters Act does not apply to:

19 (a) The United States or any department, agency, or instrumentality  
20 thereof;

21 (b) Any post office of the United States Postal Service;

22 (c) A state or any political subdivision thereof;

23 (d)(i) Banks, credit unions, digital asset depository institutions  
24 as defined in section 8-3003, building and loan associations, savings and  
25 loan associations, savings banks, or mutual banks organized under the  
26 laws of any state or the United States;

27 (ii) Subsidiaries of the institutions listed in subdivision (d)(i)  
28 of this subsection;

29 (iii) Bank holding companies which have a banking subsidiary located  
30 in Nebraska and whose debt securities have an investment grade rating by  
31 a national rating agency; or

1 (iv) Authorized delegates of the institutions and entities listed in  
2 subdivision (d)(i), (ii), or (iii) of this subsection, except that  
3 authorized delegates that are not banks, credit unions, building and loan  
4 associations, savings and loan associations, savings banks, mutual banks,  
5 subsidiaries of any of the foregoing, or bank holding companies shall  
6 comply with all requirements imposed upon authorized delegates under the  
7 act;

8 (e) The provision of electronic transfer of government benefits for  
9 any federal, state, or county governmental agency, as defined in Consumer  
10 Financial Protection Bureau Regulation E, 12 C.F.R. part 1005, as such  
11 regulation existed on January 1, 2023 ~~2022~~, by a contractor for and on  
12 behalf of the United States or any department, agency, or instrumentality  
13 thereof or any state or any political subdivision thereof;

14 (f) An operator of a payment system only to the extent that the  
15 payment system provides processing, clearing, or settlement services  
16 between or among persons who are all exempt under this section in  
17 connection with wire transfers, credit card transactions, debit card  
18 transactions, automated clearinghouse transfers, or similar fund  
19 transfers; or

20 (g) A person, firm, corporation, or association licensed in this  
21 state and acting within this state within the scope of a license:

22 (i) As a collection agency pursuant to the Collection Agency Act;

23 (ii) As a credit services organization pursuant to the Credit  
24 Services Organization Act; or

25 (iii) To engage in the debt management business pursuant to sections  
26 69-1201 to 69-1217.

27 (2) An authorized delegate of a licensee or of an exempt entity,  
28 acting within the scope of its authority conferred by a written contract  
29 as described in section 8-2739, is not required to obtain a license under  
30 the Nebraska Money Transmitters Act, except that such an authorized  
31 delegate shall comply with the other provisions of the act which apply to

1 money transmission transactions.

2 Sec. 18. Section 8-2903, Reissue Revised Statutes of Nebraska, is  
3 amended to read:

4 8-2903 (1) When a financial institution, or an employee of a  
5 financial institution, reasonably believes, or has received information  
6 from the department or a law enforcement agency demonstrating that it is  
7 reasonable to believe, that financial exploitation of a vulnerable adult  
8 or senior adult may have occurred, may have been attempted, is occurring,  
9 or is being attempted, the financial institution may, but is not required  
10 to:

11 (a) Delay or refuse a transaction with or involving the vulnerable  
12 adult or senior adult;

13 (b) Delay or refuse to permit the withdrawal or disbursement of  
14 funds contained in the vulnerable adult's or senior adult's account;

15 (c) Prevent a change in ownership of the vulnerable adult's or  
16 senior adult's account;

17 (d) Prevent a transfer of funds from the vulnerable adult's or  
18 senior adult's account to an account owned wholly or partially by another  
19 person;

20 (e) Refuse to comply with instructions given to the financial  
21 institution by an agent or a person acting for or with an agent under a  
22 power of attorney signed or purported to have been signed by the  
23 vulnerable adult or senior adult; or

24 (f) Prevent the designation or change the designation of  
25 beneficiaries to receive any property, benefit, or contract rights for a  
26 vulnerable adult or senior adult at death.

27 (2) A financial institution is not required to act under subsection  
28 (1) of this section when provided with information alleging that  
29 financial exploitation may have occurred, may have been attempted, is  
30 occurring, or is being attempted, but may use the financial institution's  
31 discretion to determine whether or not to act under subsection (1) of



1 this section based on the information available to the financial  
2 institution at the time.

3 (3)(a)(i) A financial institution may notify any third party  
4 reasonably associated with a vulnerable adult or senior adult if the  
5 financial institution reasonably believes that the financial exploitation  
6 of a vulnerable adult or senior adult may have occurred, may have been  
7 attempted, is occurring, or is being attempted.

8 (ii) A third party reasonably associated with a vulnerable adult or  
9 senior adult includes, but is not limited to, the following: (A) A  
10 parent, spouse, adult child, sibling, or other known family member or  
11 close associate of a vulnerable adult or senior adult; (B) an authorized  
12 contact provided by a vulnerable adult or senior adult to the financial  
13 institution; (C) a co-owner, additional authorized signatory, or  
14 beneficiary on a vulnerable adult's or a senior adult's account; (D) an  
15 attorney in fact, trustee, conservator, guardian, or other fiduciary who  
16 has been selected by a vulnerable adult or senior adult, a court, or a  
17 third party to manage some or all of the financial affairs of the  
18 vulnerable adult or senior adult; and (E) an attorney known to represent  
19 or have represented the vulnerable adult or senior adult.

20 (b) A financial institution may choose not to notify any third party  
21 reasonably associated with a vulnerable adult or senior adult of  
22 suspected financial exploitation of the vulnerable adult or senior adult  
23 if the financial institution reasonably believes the third party is, may  
24 be, or may have been engaged in the financial exploitation of the  
25 vulnerable adult or senior adult or if requested to refrain from making a  
26 notification by a law enforcement agency, if such notification could  
27 interfere with a law enforcement investigation.

28 (c) Nothing in this subsection shall prevent a financial institution  
29 from notifying the department or a law enforcement agency, if the  
30 financial institution reasonably believes that the financial exploitation  
31 of a vulnerable adult or senior adult may have occurred, may have been

1 attempted, is occurring, or is being attempted.

2 (4) The authority granted the financial institution under subsection  
3 (1) of this section expires upon the sooner of: (a) Thirty business days  
4 after the date on which the financial institution first acted under  
5 subsection (1) of this section; (b) when the financial institution is  
6 satisfied that the transaction or act will not result in financial  
7 exploitation of the vulnerable adult or senior adult; or (c) upon  
8 termination by an order of a court of competent jurisdiction.

9 (5) Unless otherwise directed by order of a court of competent  
10 jurisdiction, a financial institution may extend the duration under  
11 subsection (4) of this section based on a reasonable belief that the  
12 financial exploitation of a vulnerable adult or senior adult may continue  
13 to occur or continue to be attempted.

14 (6) A financial institution and its bank holding company, if any,  
15 and any employees, agents, officers, and directors of the financial  
16 institution and its bank holding company, if any, shall be immune from  
17 any civil, criminal, or administrative liability that may otherwise exist  
18 (a) for delaying or refusing to execute a transaction, withdrawal, or  
19 disbursement, or for not delaying or refusing to execute such  
20 transaction, withdrawal, or disbursement under this section and (b) for  
21 actions taken in furtherance of determinations made under subsections (1)  
22 through (5) of this section.

23 (7)(a) Notwithstanding any other law to the contrary, the refusal by  
24 a financial institution to engage in a transaction as authorized under  
25 subsection (1) of this section shall not constitute the wrongful dishonor  
26 of an item under section 4-402, Uniform Commercial Code.

27 (b) Notwithstanding any other law to the contrary, a reasonable  
28 belief that payment of a check will facilitate the financial exploitation  
29 of a vulnerable adult or senior adult shall constitute reasonable grounds  
30 to doubt the collectability of the item for purposes of the federal Check  
31 Clearing for the 21st Century Act, 12 U.S.C. 5001 et seq., the federal

1 Expedited Funds Availability Act, 12 U.S.C. 4001 et seq., and 12 C.F.R.  
2 part 229, as such acts and part existed on January 1, 2023 ~~2022~~.

3 Sec. 19. Section 8-3002, Reissue Revised Statutes of Nebraska, is  
4 amended to read:

5 8-3002 The Legislature finds and declares that:

6 (1) Economic development initiatives demand buy-in and input from  
7 community stakeholders across multiple industries. The Legislature should  
8 send a strong message that Nebraska wants to bring high-tech jobs and  
9 digital asset operations to our state. Nebraska has an incredible  
10 opportunity to be a leader in this emerging technology;

11 (2) Nebraska desires to create an entrepreneurial ecosystem where  
12 young talent can be paired with private investors in order to create  
13 jobs, enhance our quality of life, and prevent the brain drain that is  
14 particularly acute in rural Nebraska. If Nebraska does not make  
15 intentional and meaningful changes to how it recruits and retains young  
16 people, Nebraska will be left behind;

17 (3) The rapid innovation of blockchain and digital ledger  
18 technology, including the growing use of virtual currency, digital  
19 assets, and other controllable electronic records has complicated the  
20 development of blockchain services and products in the marketplace;

21 (4) Blockchain innovators are able and willing to address banking  
22 compliance challenges such as federal customer identification, anti-money  
23 laundering, and beneficial ownership requirements to comply with  
24 regulators' concerns;

25 (5) Compliance with federal and state laws, including, but not  
26 limited to, know-your-customer and anti-money-laundering rules and the  
27 federal Bank Secrecy Act, is critical to ensuring the future growth and  
28 reputation of the blockchain and technology industries as a whole; and

29 (6) Authorizing digital asset depositories in Nebraska will provide  
30 a necessary and valuable service to blockchain innovators and customers,  
31 emphasize Nebraska's partnership with the technology and financial

1 industries industry, safely grow this state's ever-evolving financial  
2 sector, and afford more opportunities for Nebraska residents.

3 Sec. 20. Section 8-3003, Reissue Revised Statutes of Nebraska, is  
4 amended to read:

5 8-3003 For purposes of the Nebraska Financial Innovation Act:

6 (1) Blockchain means a distributed digital record of controllable  
7 electronic record transactions;

8 (2) Centralized finance means centralized digital asset exchanges,  
9 businesses, or organizations with a valid physical address;

10 (3) Control has the following meaning:

11 (a) A person has control of a controllable electronic record if:

12 (i) The following conditions are met:

13 (A) The controllable electronic record or the system in which it is  
14 recorded, if any, gives the person:

15 (I) The power to derive substantially all the benefit from the  
16 controllable electronic record;

17 (II) Subject to subdivision (b) of this subdivision, the exclusive  
18 power to prevent others from deriving substantially all the benefit from  
19 the controllable electronic record; and

20 (III) Subject to subdivision (b) of this subdivision, the exclusive  
21 power to transfer control of the controllable electronic record to  
22 another person or cause another person to obtain control of a  
23 controllable electronic record that derives from the controllable  
24 electronic record; and

25 (B) The controllable electronic record, a record attached to or  
26 logically associated with the controllable electronic record, or the  
27 system in which the controllable electronic record is recorded, if any,  
28 enables the person to readily identify itself as having the powers  
29 specified in subdivision (a)(i) of this subdivision; or

30 (ii) Another person obtains control of the controllable electronic  
31 record on behalf of the person, or having previously obtained control of

1 the controllable electronic record, acknowledges that it has control on  
2 behalf of the person.

3 (b) A power specified in subdivisions (3)(a)(i)(A)(II) or (III) of  
4 this section can be exclusive, even if:

5 (i) The controllable electronic record or the system in which it is  
6 recorded, if any, limits the use to which the controllable electronic  
7 record may be put or has protocols that are programmed to result in a  
8 transfer of control; and

9 (ii) The person has agreed to share the power with another person.

10 (c) For the purposes of subdivision (3)(a)(i)(B) of this section, a  
11 person may be identified in any way, including by name, identifying  
12 number, cryptographic key, office, or account number;

13 (4) Controllable electronic borrowing means the act of receiving  
14 digital assets or the use of digital assets from a lender in exchange for  
15 the payment to the lender of digital assets, interest, fees, or rewards;

16 (5) Controllable electronic record means an electronic record that  
17 can be subjected to control. The term has the same meaning as digital  
18 asset and does not include electronic chattel paper, electronic  
19 documents, investment property, and transferable records under the  
20 Uniform Electronic Transactions Act;

21 (6) Controllable electronic record exchange means a business that  
22 allows customers to purchase, sell, convert, send, receive, or trade  
23 digital assets for other digital assets;

24 (7) Controllable electronic record lending means the act of  
25 providing digital assets to a borrower in exchange for digital assets,  
26 interest, fees, or rewards;

27 (8) Controllable electronic records staking means the act of  
28 pledging a digital asset or token with an expectation of gaining digital  
29 assets, interest, fees, or other rewards on such act;

30 (9) Customer means a digital asset depositor or digital asset  
31 account holder;

1 (10) Decentralized finance means digital asset exchanges,  
2 businesses, or organizations operating independently on blockchains;

3 (11) Department means the Department of Banking and Finance;

4 (12) Digital asset depository means a financial institution that  
5 securely holds liquid assets when such assets are in the form of  
6 controllable electronic records, either as a corporation organized,  
7 chartered, and operated pursuant to the Nebraska Financial Innovation Act  
8 as a digital asset depository institution or a financial institution  
9 operating a digital asset depository business as a digital asset  
10 depository department under a charter granted ~~grant of authority~~ by the  
11 director;

12 (13) Digital asset depository department means a financial  
13 institution operating a digital asset depository business as a digital  
14 asset depository department under a charter granted ~~grant of authority~~ by  
15 the director;

16 (14) Digital asset depository institution means a corporation  
17 operating a digital asset depository business organized and chartered  
18 pursuant to the Nebraska Financial Innovation Act;

19 (15) Director means the Director of Banking and Finance;

20 (16) Financial institution means a bank, savings bank, building and  
21 loan association, or savings and loan association, ~~whether~~ chartered by  
22 the United States, the department, or a foreign state agency; or a trust  
23 company;

24 (17) Fork means a change to the protocol of a blockchain network;

25 (18) Independent node verification network means a shared electronic  
26 database where copies of the same information are stored on multiple  
27 computers; and

28 (19) Stablecoin means a controllable electronic record  
29 ~~cryptocurrency~~ designed to have a stable value that is backed by a  
30 reserve asset.

31 Sec. 21. Section 8-3004, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 8-3004 The director shall have the power to issue to corporations  
3 desiring to transact business as a digital asset depository institution  
4 charters ~~of authority~~ to transact digital asset depository business as  
5 defined in the Nebraska Financial Innovation Act. The director shall have  
6 general supervision and control over such digital asset depositories.

7 Sec. 22. Section 8-3005, Reissue Revised Statutes of Nebraska, is  
8 amended to read:

9 8-3005 (1)(a) A digital asset depository may:

10 (i) Make contracts as a corporation under Nebraska law;

11 (ii) Sue and be sued;

12 (iii) Receive notes as permitted by federal law;

13 (iv) Carry on a nonlending digital asset banking business for  
14 customers, consistent with subdivision (2)(b) of this section;

15 (v) Provide payment services upon the request of a customer; and

16 (vi) Make an application to become a member bank of the federal  
17 reserve system.

18 (b) A digital asset depository shall maintain its main office and  
19 the primary office of its chief executive officer in Nebraska.

20 (c) As otherwise authorized by this section, a digital asset  
21 depository may conduct business with customers outside this state.

22 (2)(a) A digital asset depository institution, consistent with the  
23 Nebraska Financial Innovation Act, shall be organized as a corporation  
24 under the Nebraska Model Business Corporation Act to exercise the powers  
25 set forth in subsection (1) of this section.

26 (b) A digital asset depository institution shall not accept demand  
27 deposits of United States currency or United States currency that may be  
28 accessed or withdrawn by check or similar means for payment to third  
29 parties and except as otherwise provided in this subsection, a digital  
30 asset depository institution shall not make any ~~consumer~~ loans to  
31 consumers for personal, property or household purposes, mortgage loans,

1 or commercial loans of any fiat currency including, but not limited to,  
2 United States currency, including the provision of temporary credit  
3 relating to overdrafts. Notwithstanding this prohibition against fiat  
4 currency lending by a digital asset depository institution, a digital  
5 asset depository institution may facilitate the provision of digital  
6 asset business services resulting from the interaction of customers with  
7 centralized finance or decentralized finance platforms including, but not  
8 limited to, controllable electronic record exchange, staking,  
9 controllable electronic record lending, and controllable electronic  
10 record borrowing. A digital asset depository institution may purchase  
11 debt obligations specified by subdivision (2)(c) of section 8-3009.

12 (c) ~~A Subject to the laws of the host state,~~ a digital asset  
13 depository institution may open a branch in this state or in another  
14 state in the manner set forth in section 8-157 or 8-2303. A branch in  
15 another state is subject to the laws of the host state. A digital asset  
16 depository institution, including any branch of the digital asset  
17 depository institution, may only accept digital asset deposits or provide  
18 other digital asset business services under the Nebraska Financial  
19 Innovation Act to individual customers or a customer that is a legal  
20 entity other than a natural person engaged in a bona fide business which  
21 is lawful under the laws of Nebraska, the laws of the host state if the  
22 entity is headquartered in another state, and federal law.

23 (3) The deposit limitations of subdivision (2)(a)(ii) of section  
24 8-157 shall not apply to a digital asset depository.

25 (4) Any United States currency coming into an account established by  
26 a customer of a digital asset depository institution shall be held in a  
27 financial institution, the deposits of which are insured by the Federal  
28 Deposit Insurance Corporation, which maintained a main-chartered office  
29 in this state, any branch thereof in this state, or any branch of the  
30 financial institution which maintained the main-chartered office in this  
31 state prior to becoming a branch of such financial institution.



1 (5) A digital asset depository institution shall establish and  
2 maintain programs for compliance with the federal Bank Secrecy Act, in  
3 accordance with 12 C.F.R. 208.63, as the act and rule existed on January  
4 1, ~~2023~~ 2022.

5 (6) A digital asset depository shall help meet the digital financial  
6 needs of the communities in which it operates, consistent with safe and  
7 sound operations, and shall maintain and update a public file available  
8 to any person on request and on any Internet website or mobile  
9 application it maintains containing specific information about its  
10 efforts to meet community needs, including:

11 (a) The collection and reporting of data;

12 (b) Its policies and procedures for accepting and responding to  
13 consumer complaints; and

14 (c) Its efforts to assist with financial literacy or personal  
15 finance programs to increase knowledge and skills of Nebraska students in  
16 areas such as digital assets, budgeting, credit, checking and savings  
17 accounts, loans, stocks, and insurance.

18 Sec. 23. Section 8-3007, Reissue Revised Statutes of Nebraska, is  
19 amended to read:

20 8-3007 (1) No customer shall open or maintain an account with a  
21 digital asset depository or otherwise receive any services from the  
22 digital asset depository unless the customer meets the criteria of this  
23 subsection. A customer shall:

24 (a) Make sufficient evidence available to the digital asset  
25 depository to enable compliance with anti-money laundering, customer  
26 identification, and beneficial ownership requirements, as determined by  
27 the federal Bank Secrecy Act guidance and the policies and practices of  
28 the institution; and

29 (b) If the customer is a legal entity other than a natural person:

30 (i) Be in good standing with the jurisdiction in the United States  
31 in which it is incorporated or organized; and

1 (ii) Be engaged in a business that is lawful and bona fide in  
2 Nebraska, in the host state, if applicable, and under federal law  
3 consistent with subsection (3) of this section.

4 (2) A customer which meets the criteria of subsection (1) of this  
5 section may be issued a digital asset depository account and otherwise  
6 receive services from the digital asset depository, contingent on the  
7 digital asset depository maintaining availability of sufficient insurance  
8 under subsection (5) of section 8-3023.

9 (3) Consistent with subdivisions (1)(a)(iv) and (v) of section  
10 8-3005, and in addition to any requirements specified by federal law, a  
11 digital asset depository shall require that any potential customer that  
12 is a legal entity other than a natural person provide reasonable evidence  
13 that the entity is engaged in a business that is lawful and bona fide in  
14 Nebraska, in the host state, if applicable, and under federal law or is  
15 likely to open a lawful, bona fide business within a federal Bank Secrecy  
16 Act compliant timeframe, as the act existed on January 1, 2023 2022. For  
17 purposes of this subsection, reasonable evidence includes business entity  
18 filings, articles of incorporation or organization, bylaws, operating  
19 agreements, business plans, promotional materials, financing agreements,  
20 or other evidence.

21 Sec. 24. Section 8-3008, Reissue Revised Statutes of Nebraska, is  
22 amended to read:

23 8-3008 The terms and conditions of a customer's digital asset  
24 depository account at a digital asset depository shall be disclosed at  
25 the time the customer contracts for a digital asset business service.  
26 Such disclosure shall be full and complete, contain no material  
27 misrepresentations, be in readily understandable language, and shall  
28 include, as appropriate and to the extent applicable:

29 (1) A schedule of fees and charges the digital asset depository may  
30 assess, the manner by which fees and charges will be calculated if they  
31 are not set in advance and disclosed, and the timing of the fees and

1 charges;

2 (2) A statement that the customer's digital asset depository account  
3 is not protected by the Federal Deposit Insurance Corporation;

4 (3) A statement whether there is support for forked networks of each  
5 digital asset;

6 (4) A statement that investment in digital assets is volatile and  
7 subject to market loss;

8 (5) A statement that investment in digital assets may result in  
9 total loss of value;

10 (6) A statement that legal, legislative, and regulatory changes may  
11 impact ~~impair~~ the value of digital assets;

12 (7) A statement that customers should perform research before  
13 investing in digital assets;

14 (8) A statement that transfers of digital assets are irrevocable, if  
15 applicable;

16 (9) A statement as to how liability for an unauthorized, mistaken,  
17 or accidental transfer shall be apportioned;

18 (10) A statement that digital assets are not legal tender in any  
19 jurisdiction;

20 (11) A statement that digital assets may be subject to cyber theft  
21 or theft and become unrecoverable;

22 (12) A statement about who maintains control, ownership, and access  
23 to any private key related to a digital assets customer's digital asset  
24 account; and

25 (13) A statement that losing private key information may result in  
26 permanent total loss of access to digital assets.

27 Sec. 25. Section 8-3011, Reissue Revised Statutes of Nebraska, is  
28 amended to read:

29 8-3011 (1) With respect to all digital asset business activities, a  
30 digital asset depository shall display and include in all advertising, in  
31 all marketing materials, on any Internet website or mobile application it

1 maintains, and at each window or place where it accepts digital asset  
2 deposits, (a) a notice conspicuously stating that digital asset deposits  
3 and digital asset accounts are not insured by the Federal Deposit  
4 Insurance Corporation, if applicable, and (b) the following conspicuous  
5 statement: Holdings of digital assets are speculative and involve a  
6 substantial degree of risk, including the risk of complete loss. There is  
7 no assurance that any digital asset will be viable, liquid, or solvent.  
8 Nothing in this communication is intended to imply that any digital asset  
9 held in custody by a digital asset depository is low-risk or risk-free.  
10 Digital assets held in custody are not guaranteed by a digital asset  
11 depository and are not FDIC insured by the Federal Deposit Insurance  
12 Corporation.

13 (2) Upon opening a digital asset depository account, ~~and—if~~  
14 ~~applicable~~, a digital asset depository shall require each customer to  
15 execute a statement acknowledging that all digital asset deposits at the  
16 digital asset depository are not insured by the Federal Deposit Insurance  
17 Corporation. The digital asset depository shall permanently retain this  
18 acknowledgment, whether in electronic form or as a signature card.

19 Sec. 26. Section 8-3012, Reissue Revised Statutes of Nebraska, is  
20 amended to read:

21 8-3012 (1) Except as otherwise provided by subsection (5) of this  
22 section, five or more adult persons, including at least one Nebraska  
23 resident, may form a digital asset depository institution. The  
24 incorporators shall subscribe the articles of incorporation and transmit  
25 them and the bylaws of the digital asset depository to the director as  
26 part of an application for a charter under section 8-3015.

27 (2) The articles of incorporation shall include the following  
28 information:

- 29 (a) The corporate name;
- 30 (b) The object for which the corporation is organized;
- 31 (c) The term of its existence, which may be perpetual;

1 (d) The place in Nebraska where its main office shall be physically  
2 located and its operations conducted;

3 (e) The amount of capital stock and the number of shares;

4 (f) The name and residence of each shareholder subscribing to more  
5 than ten percent of the stock and the number of shares owned by that  
6 shareholder;

7 (g) The number of directors and the names of those who shall manage  
8 the affairs of the corporation for the first year; and

9 (h) A statement that the articles of incorporation are made to  
10 enable the incorporators to avail themselves of the advantages of the  
11 laws of the state.

12 (3) Copies of all amended articles of incorporation and bylaws shall  
13 be filed in the same manner as the original articles of incorporation and  
14 bylaws.

15 (4) The incorporators shall solicit capital prior to filing an  
16 application for a charter with the director, consistent with section  
17 8-3013. In the event an application for a charter is not filed or is  
18 denied by the director, all capital shall be promptly returned without  
19 loss.

20 (5) Subject to federal and state law, a bank holding company may  
21 apply to hold a digital asset depository institution.

22 Sec. 27. Section 8-3013, Reissue Revised Statutes of Nebraska, is  
23 amended to read:

24 8-3013 (1) The capital stock of each digital asset depository  
25 institution chartered under the Nebraska Financial Innovation Act shall  
26 be subscribed for as paid-up stock. No digital asset depository  
27 institution shall be chartered with capital stock of less than ten  
28 million dollars.

29 (2) No digital asset depository institution shall commence business  
30 until the full amount of its authorized capital is subscribed and all  
31 capital stock is fully paid in. No digital asset depository institution

1 may be chartered without a paid-up surplus fund of at least three years  
2 of estimated operating expenses in the amount disclosed pursuant to  
3 subsection (2) of section 8-3015 or in another amount required by the  
4 director.

5 (3) A digital asset depository institution may acquire additional  
6 capital prior to the granting of a charter and shall report this capital  
7 as an amendment to ~~in~~ its charter application.

8 Sec. 28. Section 8-3014, Reissue Revised Statutes of Nebraska, is  
9 amended to read:

10 8-3014 (1) Any financial institution, having adopted or amended its  
11 articles of incorporation to authorize the conduct of a digital asset  
12 depository business may be further chartered by the director to transact  
13 a digital asset depository business in a digital asset depository  
14 department in connection with such financial institution.

15 (2) The director has the authority to issue to financial  
16 institutions amendments to their charters ~~of authority~~ to transact a  
17 digital asset depository business, ~~and~~ has general supervision and  
18 control over such digital asset depository departments of financial  
19 institutions, and may require the injection of additional capital.

20 (3) The director, before granting to any financial institution the  
21 right to operate a digital asset depository department, shall require  
22 such financial institution to make an application for amendment of its  
23 charter, setting forth such information as the director may require.

24 (4) A digital asset depository department of a financial institution  
25 when chartered under subsection (1) of this section shall be separate and  
26 apart from every other department of the financial institution and shall  
27 have all ~~of~~ the powers, duties, and obligations of a digital asset  
28 depository institution as set forth in the Nebraska Financial Innovation  
29 Act.

30 (5) Any financial institution authorized to transact a digital asset  
31 depository business in a digital asset depository department pursuant to

1 subsection (1) of this section may conduct such digital asset depository  
2 business at the office of any financial institution which is a subsidiary  
3 of the same bank holding company as the authorized financial institution.

4 (6) A financial institution may deposit or have on deposit funds of  
5 an account controlled by the financial institution's digital asset  
6 depository department unless prohibited by applicable law.

7 Sec. 29. Section 8-3015, Reissue Revised Statutes of Nebraska, is  
8 amended to read:

9 8-3015 (1) No corporation shall act as a digital asset depository  
10 without first obtaining ~~authority~~ or a charter to operate from the  
11 director under the Nebraska Financial Innovation Act.

12 (2) The incorporators under section 8-3012 shall apply to the  
13 director for a charter. The application shall contain the digital asset  
14 depository institution's articles of incorporation, bylaws, a detailed  
15 business plan, a comprehensive estimate of operating expenses for the  
16 first three years of operation, a complete proposal for compliance with  
17 the provisions of the Nebraska Financial Innovation Act, evidence of the  
18 capital and surplus required under section 8-3013, and any investors or  
19 owners holding ten percent or more equity in the digital asset depository  
20 institution. The director may prescribe the form of application.

21 (3) A financial institution may apply to the director for a charter  
22 ~~authority~~ to operate a digital asset depository business as a department.  
23 The application shall contain a detailed business plan, a comprehensive  
24 estimate of operating expenses for the first three years of operation,  
25 and a complete proposal for compliance with the provisions of the  
26 Nebraska Financial Innovation Act. The director may prescribe the form of  
27 application.

28 (4) Each application for a charter ~~or authority~~ shall be accompanied  
29 by an application fee of fifty thousand dollars.

30 Sec. 30. Section 8-3016, Reissue Revised Statutes of Nebraska, is  
31 amended to read:

1           8-3016 (1) After a substantially complete application for a digital  
2 asset depository institution charter authority or a digital asset  
3 depository department ~~institution~~ charter has been submitted, the  
4 director shall notify the applicants in writing within thirty calendar  
5 days of any deficiency in the required information or that the  
6 application has been accepted for filing. When the director is satisfied  
7 that all required information has been furnished, the director shall  
8 establish a time and place for a public hearing which shall be conducted  
9 not less than sixty days, nor more than one hundred twenty days, after  
10 notice from the director to the applicants that the application is in  
11 order.

12           (2) Within thirty days after receipt of notice of the time and place  
13 of the public hearing, the department shall cause notice of filing of the  
14 application and the hearing to be published at the applicant's  
15 ~~applicants'~~ expense in a newspaper of general circulation within the  
16 county where the proposed digital asset depository is to be located.  
17 Publication shall be made at least once a week for three consecutive  
18 weeks before the hearing, stating the proposed location of the digital  
19 asset depository, the names of the applicants for a charter, the nature  
20 of the activities to be conducted by the proposed digital asset  
21 depository, and other information required by rule and regulation. The  
22 director shall electronically send notice of the hearing to state and  
23 national banks, federal savings and loan associations, state and federal  
24 credit unions, and other financial institutions in the state, federal  
25 agencies, and financial industry trade groups.

26           Sec. 31. Section 8-3017, Reissue Revised Statutes of Nebraska, is  
27 amended to read:

28           8-3017 The hearing required by section 8-3016 ~~for a charter~~  
29 ~~application or for authority to operate a digital asset depository~~ shall  
30 be conducted under the Administrative Procedure Act and shall comply with  
31 the requirements of the act.



1           Sec. 32. Section 8-3018, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3           8-3018 Upon receiving an ~~the~~ application for a charter to become a  
4 digital asset depository institution~~,~~ or for a charter authority to  
5 operate a digital asset depository department, the applicable fee, and  
6 other information required by the director, the director shall make a  
7 careful investigation and examination of the following:

8           (1) The character, reputation, criminal record, financial standing,  
9 and ability of the shareholders owning ten percent or more equity in the  
10 applicant;

11           (2) The character, financial responsibility, criminal background,  
12 banking or other financial experience, and business qualifications of  
13 those proposed as officers and directors;

14           (3) Whether the applicant or any of its officers, directors, or  
15 shareholders owning ten percent or more equity in the applicant have ever  
16 been convicted of any (i) misdemeanor involving any aspect of a digital  
17 asset depository business or any business of a similar nature or (ii)  
18 felony;

19           (4) Whether the applicant or any of its officers, directors, or  
20 shareholders owning ten percent or more equity in the applicant have ever  
21 been permanently or temporarily enjoined by a court of competent  
22 jurisdiction from engaging in or continuing any conduct or practice  
23 involving any aspect of a digital asset depository business or any  
24 business of a similar nature;

25           (5) A criminal history record information check of the applicant,  
26 its officers, directors, and shareholders owning ten percent or more  
27 equity in the applicant. The direct cost of the criminal history record  
28 information check shall be paid by the applicant; and

29           (6) The application for a charter, ~~or for authority to operate a~~  
30 ~~digital asset depository,~~ including the adequacy and plausibility of the  
31 business plan of the digital asset depository, the benefits to the

1 customers, and whether the applicant has offered a complete proposal for  
2 compliance with the Nebraska Financial Innovation Act.

3 Sec. 33. Section 8-3019, Reissue Revised Statutes of Nebraska, is  
4 amended to read:

5 8-3019 (1) Within ninety days after receipt of the transcript of the  
6 public hearing, the director shall render a decision on the application  
7 based on the following criteria and requirements:

8 (a) Whether the character, reputation, criminal record, financial  
9 standing, and ability of the shareholders owning ten percent or more  
10 equity in the applicant are sufficient to afford reasonable promise of a  
11 successful operation;

12 (b) That the digital asset depository will be operated by officers  
13 of integrity and responsibility;

14 (c) Whether the character, financial responsibility, criminal  
15 background, and banking or other financial experience and business  
16 qualifications of those proposed as officers and directors are sufficient  
17 to afford reasonable promise of a successful operation;

18 (d) The adequacy and plausibility of the business plan of the  
19 digital asset depository—~~institution~~, including the ongoing customer  
20 expectations of the digital asset depository ~~institution~~ as determined by  
21 the director;

22 (e) Compliance by the digital asset depository institution with the  
23 capital and surplus requirements of section 8-3013;

24 (f) Whether the digital asset depository institution is being formed  
25 for no other purpose than legitimate objectives authorized by law;

26 (g) That the name of the proposed digital asset depository  
27 institution includes the words "digital asset bank" so that it does not  
28 resemble the name of any other financial institution transacting business  
29 in the state so as to cause confusion;

30 (h) That the digital asset depository will be operated in a safe and  
31 sound manner ~~to benefit its customers~~;

1 (i) That the digital asset depository shall help meet the digital  
2 financial needs of the communities in which it operates, consistent with  
3 safe and sound operations, and shall maintain and update a public file  
4 and on any Internet website or mobile application it maintains containing  
5 specific information about its efforts to meet community needs,  
6 including:

7 (i) The collection and reporting of data;

8 (ii) Its policies and procedures for accepting and responding to  
9 consumer complaints; and

10 (iii) Its efforts to assist with financial literacy or personal  
11 finance programs to increase knowledge and skills of Nebraska students in  
12 areas such as digital assets, budgeting, credit, checking and savings  
13 accounts, loans, stocks, and insurance;

14 (j) Whether the applicants have complied with all provisions of  
15 state law and are eligible to apply for membership in the federal reserve  
16 system; and

17 (k) Any other considerations in addition to statutory requirements  
18 submitted by the applicant pursuant to operational order, rules and  
19 regulations, or request of the department.

20 (2) The director shall approve an application upon making favorable  
21 findings on the criteria set forth in subsection (1) of this section. The  
22 ~~If necessary,~~ the director may either conditionally approve an  
23 application by specifying conditions relating to the criteria or may deny  
24 ~~disapprove~~ the application. The director shall state findings of fact and  
25 conclusions of law as part of such decision and ~~(3) If the director~~  
26 ~~approves the application,~~ the director shall issue an order approving,  
27 conditionally approving, or denying the application.

28 Sec. 34. Section 8-3020, Reissue Revised Statutes of Nebraska, is  
29 amended to read:

30 8-3020 (1) If an application is approved, and a charter shall not be  
31 issued and ~~or authority is granted by the director under section 8-3019,~~

1 the digital asset depository shall not commence business before  
2 satisfaction of all conditions precedent contained in the director's  
3 order or conditional order.

4 (2) If an approved digital asset depository fails to commence  
5 business in good faith within twelve months after the issuance of a  
6 charter ~~or an order of authority to operate by the director~~, the charter  
7 ~~or authority~~ shall expire. The director, for good cause and upon an  
8 application filed prior to the expiration of the twelve-month ~~six-month~~  
9 period, may extend the time within which the digital asset depository may  
10 open for business.

11 Sec. 35. Section 8-3021, Reissue Revised Statutes of Nebraska, is  
12 amended to read:

13 8-3021 Any decision of the department or director in approving,  
14 conditionally approving, or denying ~~disapproving~~ a charter ~~or authority~~  
15 for a digital asset depository is appealable in accordance with the  
16 Administrative Procedure Act.

17 Sec. 36. Section 8-3022, Reissue Revised Statutes of Nebraska, is  
18 amended to read:

19 8-3022 (1) Except as otherwise provided by subsection (2) of this  
20 section, a digital asset depository shall, before transacting any  
21 business, pledge or furnish a surety bond to the director to cover costs  
22 likely to be incurred by the director in a liquidation or conservatorship  
23 of the digital asset depository. The amount of the surety bond or pledge  
24 of assets under subsection (2) of this section shall be determined by the  
25 director in an amount sufficient to defray the costs of a liquidation or  
26 conservatorship.

27 (2) In lieu of a bond, a digital asset depository may irrevocably  
28 pledge specified assets equivalent to a bond under subsection (1) of this  
29 section. Any assets pledged to the director under this subsection shall  
30 be held in a state or nationally chartered bank, trust company, federal  
31 reserve bank, or savings and loan association having a principal or

1 branch office in this state, excluding affiliated institutions. All costs  
2 associated with pledging and holding such assets are the responsibility  
3 of the digital asset depository.

4 (3) Assets pledged to the director shall not include money and shall  
5 be of the same nature and quality as those required under section 8-210.

6 (4) The digital asset depository shall have the right, with the  
7 approval of the director, to substitute other securities for those  
8 deposited and shall be required to do so on written order of the director  
9 made for good cause shown. The digital asset depository shall pay the  
10 fees prescribed in section 8-602 for pledging and substitution of  
11 securities. So long as the digital asset depository so depositing shall  
12 continue to be solvent and is not in violation of the Nebraska Financial  
13 Innovation Act, such digital asset depository shall be permitted to  
14 receive the interest or dividends on such deposit.

15 (5) (4) Surety bonds shall run to the State of Nebraska<sup>7</sup> and shall  
16 be approved under the terms and conditions required under section 8-110.

17 (6) (5) The director may by order or rules and regulations establish  
18 additional investment guidelines or investment options for purposes of  
19 the pledge or surety bond required by this section.

20 (7) (6) In the event of a liquidation or conservatorship of a  
21 digital asset depository pursuant to section 8-3027, the director may,  
22 without regard to priorities, preferences, or adverse claims, reduce the  
23 surety bond or assets pledged under this section to cash as soon as  
24 practicable and utilize the cash to defray the costs associated with the  
25 liquidation or conservatorship.

26 (8) (7) Income from assets pledged under subsection (2) of this  
27 section shall be paid to the digital asset depository no less than  
28 annually, unless a liquidation or conservatorship takes place.

29 (9) (8) Upon evidence that the amount of the current surety bond is  
30 or pledged assets is ~~are~~ insufficient, the director may require a digital  
31 asset depository to increase its surety bond or pledged assets by

1 providing not less than thirty days' written notice to the digital asset  
2 depository.

3 Sec. 37. Section 8-3023, Reissue Revised Statutes of Nebraska, is  
4 amended to read:

5 8-3023 (1) The director may call for reports verified under oath  
6 from a digital asset depository at any time as necessary to inform the  
7 director of the condition of the digital asset depository. Such reports  
8 shall be available to the public.

9 (2) All reports required of a digital asset depository by the  
10 director and all materials relating to examinations of a digital asset  
11 depository shall be subject to the provisions of sections 8-103 and  
12 8-108.

13 (3) Every digital asset depository is subject to examination by the  
14 department to determine the condition and resources of a digital asset  
15 depository, the mode of managing digital asset depository affairs and  
16 conducting business, the actions of officers and directors in the  
17 investment and disposition of funds, the safety and prudence of digital  
18 asset depository management, compliance with the requirements of the  
19 Nebraska Financial Innovation Act, and such other matters as the director  
20 may require.

21 (4) A digital asset depository shall pay an assessment in a sum to  
22 be determined by the director in accordance with section 8-601 and  
23 approved by the Governor and the costs of any examination or  
24 investigation as provided in sections 8-108 and 8-606.

25 (5) A digital asset depository shall maintain appropriate insurance  
26 or a bond covering the operational risks of the digital asset depository,  
27 which shall include coverage for directors' and officers' liability,  
28 errors and omissions liability, ~~and~~ information technology infrastructure  
29 and activities liability, and business operations, as determined by the  
30 director.

31 Sec. 38. Section 8-3025, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 8-3025 The director may suspend or revoke the charter ~~or authority~~  
3 of a digital asset depository if, after notice and opportunity for a  
4 hearing, the director determines that:

5 (1) The digital asset depository has failed or refused to comply  
6 with an order issued under section 8-1,136, 8-2504, or 8-2743;

7 (2) The application for a charter ~~or authority~~ contained a  
8 materially false statement, misrepresentation, or omission; or

9 (3) An officer, a director, or an agent of the digital asset  
10 depository, in connection with an application for a charter ~~or authority~~,  
11 an examination, a report, or other document filed with the director,  
12 knowingly made a materially false statement, misrepresentation, or  
13 omission to the department, the director, or the duly authorized agent of  
14 the department or director.

15 Sec. 39. Section 8-3026, Reissue Revised Statutes of Nebraska, is  
16 amended to read:

17 8-3026 If the charter ~~or authority~~ of a digital asset depository is  
18 surrendered, suspended, or revoked, the digital asset depository shall  
19 continue to be subject to the provisions of the Nebraska Financial  
20 Innovation Act during any liquidation or conservatorship.

21 Sec. 40. Section 8-3028, Reissue Revised Statutes of Nebraska, is  
22 amended to read:

23 8-3028 (1) A digital asset depository institution may voluntarily  
24 dissolve in accordance with this section. Voluntary dissolution shall be  
25 accomplished by either liquidating the digital asset depository  
26 institution or reorganizing the digital asset depository institution into  
27 an appropriate business entity that does not engage in any activity  
28 authorized only for a digital asset depository institution. Upon complete  
29 liquidation or completion of the reorganization, the director shall  
30 revoke the charter ~~or authority~~ of the digital asset depository  
31 institution. Thereafter, the corporation or business entity shall not use

1 the words digital asset depository or digital asset bank in its business  
2 name or in connection with its ongoing business.

3 (2) A digital asset depository institution may dissolve its charter  
4 either by liquidation or reorganization. The board of directors shall  
5 file an application for dissolution with the director, accompanied by a  
6 filing fee established by an order or the rules and regulations of the  
7 director. The application shall include a comprehensive plan for  
8 dissolution setting forth the proposed disposition of all assets and  
9 liabilities in reasonable detail to effect a liquidation or  
10 reorganization, and any other plans required by the director. The plan of  
11 dissolution shall provide for the discharge or assumption of all of the  
12 known and unknown claims and liabilities of the digital asset depository  
13 institution. Additionally, the application for dissolution shall include  
14 other evidence, certifications, affidavits, documents, or information as  
15 the director may require, including demonstration of how assets and  
16 liabilities will be disposed, the timetable for effecting disposition of  
17 the assets and liabilities, and a proposal of the digital asset  
18 depository institution for addressing any claims that are asserted after  
19 dissolution has been completed. The director shall examine the  
20 application for compliance with this section, the business entity laws  
21 applicable to the required type of dissolution, and applicable orders and  
22 rules and regulations. The director may conduct a special examination of  
23 the digital asset depository institution, consistent with subsection (3)  
24 of section 8-3023, for purposes of evaluating the application.

25 (3) If the director finds that the application is incomplete, the  
26 director shall return it for completion not later than sixty days after  
27 it is filed. If the application is found to be complete by the director,  
28 the director shall approve or ~~deny disapprove~~ the application not later  
29 than thirty days after it is filed. If the director approves the  
30 application, the digital asset depository institution may proceed with  
31 the dissolution pursuant to the plan outlined in the application, subject



1 to any further conditions the director may prescribe. If the digital  
2 asset depository institution subsequently determines that the plan of  
3 dissolution needs to be amended to complete the dissolution, it shall  
4 file an amended plan with the director and obtain approval to proceed  
5 under the amended plan. If the director does not approve the application  
6 or amended plan, the digital asset depository institution may appeal the  
7 decision to the director pursuant to the Administrative Procedure Act.

8 (4) Upon completion of all actions required under the plan of  
9 dissolution and satisfaction of all conditions prescribed by the  
10 director, the digital asset depository institution shall submit a written  
11 report of its actions to the director. The report shall contain a  
12 certification made under oath that the report is true and correct.  
13 Following receipt of the report, the director, no later than sixty days  
14 after the filing of the report, shall examine the digital asset  
15 depository institution to determine whether the director is satisfied  
16 that all required actions have been taken in accordance with the plan of  
17 dissolution and any conditions prescribed by the director. If all  
18 requirements and conditions have been met, the director shall, within  
19 thirty days of the examination, notify the digital asset depository  
20 institution in writing that the dissolution has been completed and issue  
21 an order of dissolution.

22 (5) Upon receiving an order of dissolution, the digital asset  
23 depository institution shall surrender its charter to the director. The  
24 digital asset depository institution shall then file articles of  
25 dissolution and other documents required by sections 21-2,184 to 21-2,201  
26 for a corporation with the Secretary of State. In the case of  
27 reorganization, the digital asset depository institution shall file the  
28 documents required by the Secretary of State to finalize the  
29 reorganization.

30 (6) If the director determines that all required actions under the  
31 plan for dissolution, or as otherwise required by the director, have not

1 been completed, the director shall notify the digital asset depository  
2 institution, not later than thirty days after this determination, in  
3 writing, of what additional actions shall be taken in order for the  
4 institution to be eligible for a certificate of dissolution. The director  
5 shall establish a reasonable deadline of up to thirty days for the  
6 submission of evidence that additional actions have been taken and the  
7 director may extend any deadline upon good cause. If the digital asset  
8 depository institution fails to file a supplemental report showing that  
9 the additional actions have been taken before the deadline, or submits a  
10 report that is found not to be satisfactory by the director, the director  
11 shall notify the digital asset depository institution in writing that its  
12 voluntary dissolution is not approved, and the institution may appeal the  
13 decision to the director pursuant to the Administrative Procedure Act.

14 (7) A financial institution operating a digital asset depository  
15 department may, upon adoption of a resolution by its board of directors,  
16 and upon compliance with the provisions of this section, insofar as  
17 determined by the director by order or rule and regulation, surrender its  
18 charter for a digital asset depository department for cancellation to the  
19 department.

20 Sec. 41. Section 8-3030, Reissue Revised Statutes of Nebraska, is  
21 amended to read:

22 8-3030 Each officer, director, employee, or agent of a digital asset  
23 depository, following written notice from the director, is subject to  
24 removal upon order of the director if such officer, director, employee,  
25 or agent knowingly, willfully, or negligently:

26 (1) Fails to perform any duty required by the Nebraska Financial  
27 Innovation Act or other applicable law;

28 (2) Fails to conform to any order or rules and regulations of the  
29 director; or

30 (3) Endangers the interest of a customer or the safety and soundness  
31 of the digital asset depository.

1           Sec. 42. Section 10-110, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3           10-110 The county clerk shall ascertain from the assessment roll of  
4 the county the amount of taxable property in such county and the  
5 percentage required to be levied thereon to pay the interest and to  
6 create a sinking fund. The county board ~~clerk~~ shall levy such percentage  
7 upon the taxable property of the county, and the county clerk shall place  
8 the same upon the tax roll of the county in a separate column or columns,  
9 designating the purposes for which the taxes are levied. The taxes shall  
10 be collected by the county treasurer in the same manner that other taxes  
11 are collected.

12           Sec. 43. Section 10-402, Reissue Revised Statutes of Nebraska, is  
13 amended to read:

14           10-402 The proposition of the question must be accompanied by a  
15 provision to levy a tax annually for the payment of the interest on the  
16 ~~said bonds. An as it becomes due; Provided, an~~ additional amount shall be  
17 levied and collected to pay the principal of such ~~said bonds when it~~  
18 ~~shall become due.~~

19           Sec. 44. Section 10-403, Reissue Revised Statutes of Nebraska, is  
20 amended to read:

21           10-403 The proposition shall state the rate of interest such bond  
22 shall draw, ~~and when the principal and interest shall be made payable.~~

23           Sec. 45. Section 10-405, Reissue Revised Statutes of Nebraska, is  
24 amended to read:

25           10-405 It shall be the duty of the proper officers of such county or  
26 city to cause to be annually levied, collected, and paid to the holders  
27 of such bonds a special tax on all taxable property within the said  
28 county or city sufficient to pay the annual interest and ~~as the same~~  
29 ~~becomes due. When the principal of the said bonds. Not becomes due such~~  
30 ~~officers shall in like manner levy and collect an additional amount~~  
31 ~~sufficient to pay the same as it becomes due; Provided, not more than~~

1 twenty percent of the principal of such said bonds shall be collected in  
2 any one year.

3 Sec. 46. Section 10-507, Reissue Revised Statutes of Nebraska, is  
4 amended to read:

5 10-507 The county board of any county issuing bonds under the  
6 ~~provisions of~~ sections 10-501 to 10-509 shall levy a tax annually for the  
7 payment of the interest on the said bonds. ~~An as it becomes due;~~  
8 ~~Provided,~~ an additional amount shall be levied and collected sufficient  
9 to pay the principal of such bonds at maturity. ~~Not ; and provided, not~~  
10 more than twenty percent of the principal of such said bonds shall be  
11 levied and collected in any one year.

12 Sec. 47. Section 10-711, Reissue Revised Statutes of Nebraska, is  
13 amended to read:

14 10-711 It shall be the duty of the county board in each county to  
15 levy annually upon all the taxable property in each school district in  
16 such county a tax sufficient to pay the interest that will accrue or is  
17 accruing upon any bonds that have been or will be issued by such school  
18 district and to provide a sinking fund for the final redemption of the  
19 same. Such levy shall be made with the annual levy of the county and the  
20 taxes collected with other taxes and when collected shall be paid over to  
21 the county treasurer of the county in which the administrative office of  
22 such school district is located and shall remain in the hands of such  
23 county treasurer as a specific fund for the payment of the interest upon  
24 such bonds and for the final payment of the same at maturity. At the  
25 request of the school board of any district, the county board shall omit  
26 making a levy to pay the principal of the bonds when no bonds will be due  
27 within fifteen years thereafter.

28 Sec. 48. Section 10-804, Reissue Revised Statutes of Nebraska, is  
29 amended to read:

30 10-804 The proposition, when submitted, shall state the amount  
31 necessary to be raised each year for the payment of the interest on the

1 ~~said~~ bonds, and for the payment of the principal thereof at maturity.  
2 When such bonds shall have been issued or authorized to be issued, the  
3 proper officers of such county shall cause to be annually levied and  
4 collected a special tax upon all taxable property of such county to raise  
5 the annual amount designated in the said proposition, and to pay the  
6 interest and principal of such ~~said~~ bonds ~~as the same become due and~~  
7 ~~payable~~.

8       Sec. 49. Section 13-509, Reissue Revised Statutes of Nebraska, is  
9 amended to read:

10       13-509 (1) On or before August 20 of each year, the county assessor  
11 shall certify to each governing body or board empowered to levy or  
12 certify a tax levy the current taxable value of the taxable real and  
13 personal property subject to the applicable levy. The certification shall  
14 be provided to the governing body or board (a) by mail if requested by  
15 the governing body or board, (b) electronically, or (c) by listing such  
16 certification on the county assessor's website.

17       (2) Current taxable value for real property shall mean the value  
18 established by the county assessor and equalized by the county board of  
19 equalization and the Tax Equalization and Review Commission. Current  
20 taxable value for tangible personal property shall mean the net book  
21 value reported by the taxpayer and certified by the county assessor.

22       (3) If a political subdivision annexes property since the last time  
23 taxable values were certified under subsection (1) of this section, the  
24 governing body of such political subdivision shall file and record a  
25 certified copy of the annexation ordinance, petition, or resolution in  
26 the office of the register of deeds or, if none, the county clerk and the  
27 county assessor of the county in which the annexed property is located.  
28 The annexation ordinance, petition, or resolution shall include a full  
29 legal description of the annexed property. If the register of deeds or  
30 county clerk receives and records such ordinance, petition, or resolution  
31 prior to July 1 or, for annexations by a city of the metropolitan class,

1 prior to August 1, the valuation of the real and personal property  
2 annexed shall be considered in the taxable valuation of the annexing  
3 political subdivision for the current year. If the register of deeds or  
4 county clerk receives and records such ordinance, petition, or resolution  
5 on or after July 1 or, for annexations by a city of the metropolitan  
6 class, on or after August 1, the valuation of the real and personal  
7 property annexed shall be considered in the taxable valuation of the  
8 annexing political subdivision for the following year.

9 (4) If the legal voters of a political subdivision have approved a  
10 bond since the last time taxable values were certified under subsection  
11 (1) of this section, the governing body of such political subdivision  
12 shall file a copy of the bond language approved by the legal voters of  
13 the political subdivision and a full legal description of the property  
14 subject to the bond with the county assessor of the county or counties in  
15 which such political subdivision is located. If the county assessor  
16 receives such copy and full legal description prior to July 1 or, for  
17 bonds of a city of the metropolitan class, prior to August 1, the  
18 valuation of the real and personal property subject to the bond shall be  
19 included in the value certified by the county assessor pursuant to  
20 subsection (1) of this section for the current year. If the county  
21 assessor receives such copy and full legal description on or after July 1  
22 or, for bonds of a city of the metropolitan class, on or after August 1,  
23 the valuation of the real and personal property subject to the bond shall  
24 be included in the value certified by the county assessor pursuant to  
25 subsection (1) of this section for the following year.

26 Sec. 50. Section 21-17,115, Reissue Revised Statutes of Nebraska, is  
27 amended to read:

28 21-17,115 Notwithstanding any of the other provisions of the Credit  
29 Union Act or any other Nebraska statute, any credit union incorporated  
30 under the laws of the State of Nebraska and organized under the  
31 provisions of the act shall have all the rights, powers, privileges,

1 benefits, and immunities which may be exercised as of January 1, 2023  
2 ~~2022~~, by a federal credit union doing business in Nebraska on the  
3 condition that such rights, powers, privileges, benefits, and immunities  
4 shall not relieve such credit union from payment of state taxes assessed  
5 under any applicable laws of this state.

6 Sec. 51. Section 44-319.02, Reissue Revised Statutes of Nebraska, is  
7 amended to read:

8 44-319.02 Every domestic insurer hereafter organized to transact the  
9 business of insurance in this state shall deposit and continually  
10 maintain with the Department of Insurance eligible securities for the  
11 benefit of all of its policyholders or policyholders and creditors in the  
12 United States in the amount of one hundred thousand dollars.

13 Sec. 52. Section 44-319.03, Reissue Revised Statutes of Nebraska, is  
14 amended to read:

15 44-319.03 Every domestic assessment association hereafter organized  
16 to transact the business of insurance in this state, except (1) health  
17 and accident assessment associations and (2) assessment associations  
18 organized primarily to write insurance coverage on farm properties  
19 against the perils of fire, lightning, windstorm, and hail, shall deposit  
20 with the Department of Insurance eligible securities for the benefit of  
21 all of its policyholders or policyholders and creditors in the United  
22 States equal to one-fifth of the minimum surplus funds required of  
23 domestic mutual insurance companies licensed to write the same kind or  
24 kinds of insurance.

25 Sec. 53. Section 44-319.06, Reissue Revised Statutes of Nebraska, is  
26 amended to read:

27 44-319.06 No foreign insurer or assessment association now or  
28 hereafter authorized to do business in this state shall henceforth  
29 transact such business unless it shall deposit and continually maintain  
30 with the Department of Insurance or with the proper official of some one  
31 state of the United States designated by law to accept such deposit,

1 eligible securities in the amount of not less than one hundred thousand  
2 dollars for the benefit of all of its policyholders or policyholders and  
3 creditors in the United States.

4 Sec. 54. Section 44-785, Reissue Revised Statutes of Nebraska, is  
5 amended to read:

6 44-785 (1) Notwithstanding section 44-3,131, (a) any individual or  
7 group sickness and accident insurance policy or subscriber contract  
8 delivered, issued for delivery, or renewed in this state and any  
9 hospital, medical, or surgical expense-incurred policy, except for  
10 policies that provide coverage for a specified disease or other limited-  
11 benefit coverage, and (b) any self-funded employee benefit plan to the  
12 extent not preempted by federal law shall include coverage for screening  
13 mammography, digital breast tomosynthesis, bilateral whole breast  
14 ultrasound, and diagnostic magnetic resonance imaging as follows:

15 (i) For a woman ~~women~~ who is ~~are~~ thirty-five years of age or ~~and~~  
16 older but younger than forty years of age, one base-line mammogram  
17 between thirty-five and forty years of age;

18 (ii) For a woman ~~women~~ who is younger than ~~are~~ forty years of age  
19 and who, based on the National Comprehensive Cancer Network Guidelines  
20 for Breast Cancer Screening and Diagnosis version 1.2022 and the  
21 recommendation of the woman's health care provider, has an increased risk  
22 of breast cancer due to (A) a family or personal history of breast cancer  
23 or prior atypical breast biopsy, (B) positive genetic testing, or (C)  
24 heterogeneous or dense breast tissue based on a breast imaging, at least  
25 one mammogram each year and additional mammograms if necessary; ~~older but~~  
26 younger than fifty years of age, one mammogram every two years or more  
27 frequently based on the patient's physician's recommendation; and

28 (iii) For a woman ~~women~~ who is forty ~~are~~ ~~fifty~~ years of age or  
29 older, one mammogram every year; ~~and~~

30 (iv) For a woman who, based on the National Comprehensive Cancer  
31 Network Guidelines for Breast Cancer Screening and Diagnosis version



1 1.2022 and the recommendation of the woman's health care provider, has an  
2 increased risk for breast cancer due to (A) a family or personal history  
3 of breast cancer or prior atypical breast biopsy, (B) positive genetic  
4 testing, or (C) heterogeneous or dense breast tissue based on a breast  
5 imaging, one digital breast tomosynthesis each year;

6 (v) For a woman who, based on the National Comprehensive Cancer  
7 Network Guidelines for Breast Cancer Screening and Diagnosis version  
8 1.2022 and the recommendation of the woman's health care provider, has an  
9 increased risk for breast cancer due to (A) a family or personal history  
10 of breast cancer or prior atypical breast biopsy, (B) positive genetic  
11 testing, or (C) heterogeneous or dense breast tissue based on a breast  
12 imaging, one bilateral whole breast ultrasound each year;

13 (vi) For a woman who, based on the National Comprehensive Cancer  
14 Network Guidelines for Breast Cancer Screening and Diagnosis version  
15 1.2022 and the recommendation of the woman's health care provider, has an  
16 increased risk for breast cancer due to (A) a family or personal history  
17 of breast cancer or prior atypical breast biopsy, (B) positive genetic  
18 testing, or (C) a history of chest radiation, one diagnostic magnetic  
19 resonance imaging each year; and

20 (vii) For a woman who, based on national standard risk models or the  
21 National Comprehensive Cancer Network Guidelines for Breast Cancer  
22 Screening and Diagnosis, has an increased risk of breast cancer and  
23 heterogeneous or dense breast tissue, one diagnostic magnetic resonance  
24 imaging each year.

25 (2)(a) Except as provided in subdivision (b) of this subsection,  
26 this section prohibits the application of deductible, coinsurance,  
27 copayment, or other cost-sharing requirements contained in the policy or  
28 health benefit plan for such services.

29 (b) {2} This section does not prevent application of deductible or  
30 copayment provisions contained in the policy or health benefit plan for  
31 diagnostic magnetic resonance imaging for a woman based on heterogeneous

1 or dense breast tissue.

2 (c) This section does not ~~or~~ require that coverage under an  
3 individual or group policy or health benefit plan be extended to any  
4 other procedures. The coverage provided by this section shall not be less  
5 favorable than for other radiological examinations. ~~This section does not~~  
6 ~~apply if the covered individuals are provided an ongoing screening~~  
7 ~~mammography program which at a minimum meets the requirements of this~~  
8 ~~section as a separate benefit.~~

9 (3) For purposes of this section, screening mammography shall mean  
10 radiological examination of the breast of asymptomatic women for the  
11 early detection of breast cancer, which examination shall include (a) a  
12 cranio-caudal and a medial lateral oblique view of each breast and (b) a  
13 licensed radiologist's interpretation of the results of the procedure.  
14 Screening mammography shall not include diagnostic mammography,  
15 additional projections required for lesion definition, breast ultrasound,  
16 or any breast interventional procedure. Screening mammography shall be  
17 performed by a mammogram supplier who meets the standards of the federal  
18 Mammography Quality Standards Act of 1992.

19 Sec. 55. Section 44-7,102, Revised Statutes Cumulative Supplement,  
20 2022, is amended to read:

21 44-7,102 (1) Notwithstanding section 44-3,131, (a) any individual or  
22 group sickness and accident insurance policy, certificate, or subscriber  
23 contract delivered, issued for delivery, or renewed in this state and any  
24 hospital, medical, or surgical expense-incurred policy, except for short-  
25 term major medical policies of six months or less duration and policies  
26 that provide coverage for a specified disease or other limited-benefit  
27 coverage, and (b) any self-funded employee benefit plan to the extent not  
28 preempted by federal law shall include screening coverage for a  
29 colorectal cancer examination and laboratory tests for cancer for any  
30 nonsymptomatic person forty-five years of age or older covered under such  
31 policy, certificate, contract, or plan. Such screening coverage shall

1 include a maximum of one stool-based preventive screening test as  
2 approved by the United States Preventive Services Task Force screening  
3 ~~fecal occult blood test~~ annually and a flexible sigmoidoscopy every five  
4 years, a colonoscopy every ten years, or a barium enema every five to ten  
5 years, or any combination, or the most reliable, medically recognized  
6 screening test available. The screenings selected shall be as deemed  
7 appropriate by a health care provider and the patient.

8 (2) On or after December 31, 2023, no policy, certificate, or  
9 contract, delivered, issued for delivery, or renewed in this state, or  
10 any self-funded employee benefit plan, to the extent not preempted by  
11 federal law, shall impose a deductible, coinsurance, or any other cost-  
12 sharing requirements for screening colonoscopies as recommended by the  
13 United States Preventive Services Task Force, including those performed  
14 as a result of a positive noncolonoscopy stool-based preventive screening  
15 test ~~This section does not prevent application of deductible or copayment~~  
16 ~~provisions contained in the policy, certificate, contract, or employee~~  
17 ~~benefit plan or require that such coverage be extended to any other~~  
18 ~~procedures.~~

19 Sec. 56. Section 44-1993, Reissue Revised Statutes of Nebraska, is  
20 amended to read:

21 44-1993 (1) A title insurer shall not accept title insurance  
22 business from a title insurance agent unless there is in force a written  
23 contract between the parties which sets forth the responsibilities of  
24 each party and, when both parties share responsibility for a particular  
25 function, specifies the division of responsibilities.

26 (2) For each title insurance agent under contract with a title  
27 insurer, the title insurer shall have on file a statement of financial  
28 condition of each title insurance agent as of the end of the previous  
29 calendar year setting forth an income statement of title insurance  
30 business done during the preceding year and a balance sheet showing the  
31 condition of its affairs as of the prior December 31 certified by the

1 title insurance agent as being a true and accurate representation of the  
2 title insurance agent's financial condition. Attorneys actively engaged  
3 in the practice of law, other than that related to title insurance  
4 business, are exempt from the requirements of this subsection.

5 (3) A title insurer shall, at least annually, conduct a ~~an~~ on-site  
6 review of the underwriting, claims, and escrow practices of the title  
7 insurance agent which shall include a review of the title insurance  
8 agent's title insurance policy form inventory and processing operations.  
9 If the title insurance agent does not maintain separate financial  
10 institution or trust accounts for each title insurer it represents, the  
11 title insurer shall verify that the funds held on its behalf are  
12 reasonably ascertainable from the books of account and records of the  
13 title insurance agent.

14 (4) Within thirty days after executing or terminating a contract  
15 with a title insurance agent, a title insurer shall provide written  
16 notification of the appointment or termination and the reason for  
17 termination to the director. Notices of appointment of a title insurance  
18 agent shall be made on a form prescribed or approved by the director.

19 (5) A title insurer shall maintain an inventory of all title  
20 insurance policy forms or title insurance policy numbers allocated to  
21 each title insurance agent.

22 (6) A title insurer shall have on file proof that each title  
23 insurance agent is licensed by this state.

24 (7) A title insurer shall establish the underwriting guidelines and,  
25 when applicable, limitations on title claims settlement authority to be  
26 incorporated into contracts with its title insurance agents.

27 (8)(a) A title insurer is liable for the defalcation, conversion, or  
28 misappropriation by a title insurance agent appointed by or under written  
29 contract with such title insurer of escrow, settlement, closing, or  
30 security deposit funds handled by such title insurance agent in  
31 contemplation of or in conjunction with the issuance of a title insurance

1 commitment or title insurance policy by such title insurer. However, if  
2 no such title insurance commitment or title insurance policy was issued,  
3 each title insurer which appointed or maintained a written contract with  
4 such title insurance agent at the time of the discovery of the  
5 defalcation, conversion, or misappropriation shares in the liability for  
6 the defalcation, conversion, or misappropriation in the same proportion  
7 that the premium remitted to the title insurer by such title insurance  
8 agent during the twelve-month period immediately preceding the date of  
9 the discovery of the defalcation, conversion, or misappropriation bears  
10 to the total premium remitted to all title insurers by such title  
11 insurance agent during the twelve-month period immediately preceding the  
12 date of the discovery of the defalcation, conversion, or  
13 misappropriation.

14 (b) For purposes of this subsection, title insurance agent includes  
15 (i) a person with whom a title insurer maintains a title insurance agency  
16 agreement and (ii) an employer or employee of a title insurance agent or  
17 of a person with whom a title insurer maintains a title insurance agency  
18 agreement.

19 Sec. 57. Section 44-2824, Reissue Revised Statutes of Nebraska, is  
20 amended to read:

21 44-2824 (1) To be qualified under the Nebraska Hospital-Medical  
22 Liability Act, a health care provider or such health care provider's  
23 employer, employee, partner, or limited liability company member shall:

24 (a) File with the director proof of financial responsibility,  
25 pursuant to section 44-2827 or 44-2827.01, in the amount of eight five  
26 hundred thousand dollars for each occurrence. ~~An In the case of~~  
27 ~~physicians or certified registered nurse anesthetists and their~~  
28 ~~employers, employees, partners, or limited liability company members an~~  
29 aggregate liability amount of three one million dollars for all  
30 occurrences or claims made in any policy year or risk-loss trust year for  
31 each named insured shall be provided. ~~In the case of hospitals and their~~

1 ~~employees, an aggregate liability amount of three million dollars for all~~  
2 ~~occurrences or claims made in any policy year or risk-loss trust year~~  
3 ~~shall be provided.~~ Such policy may be written on either an occurrence or  
4 a claims-made basis. Any risk-loss trust shall be established and  
5 maintained only on an occurrence basis. Such qualification shall remain  
6 effective only as long as insurance coverage or risk-loss trust coverage  
7 as required remains effective; and

8 (b) Pay the surcharge and any special surcharge levied on all health  
9 care providers pursuant to sections 44-2829 to 44-2831.

10 (2) Subject to the requirements in subsections (1) and (4) of this  
11 section, the qualification of a health care provider shall be either on  
12 an occurrence or claims-made basis and shall be the same as the insurance  
13 coverage provided by the insured's policy.

14 (3) The director shall have authority to permit qualification of  
15 health care providers who have retired or ceased doing business if such  
16 health care providers have primary insurance coverage under subsection  
17 (1) of this section.

18 (4) A health care provider who is not qualified under the act at the  
19 time of the alleged occurrence giving rise to a claim shall not, for  
20 purposes of that claim, qualify under the act notwithstanding subsequent  
21 filing of proof of financial responsibility and payment of a required  
22 surcharge.

23 (5) Qualification of a health care provider under the Nebraska  
24 Hospital-Medical Liability Act shall continue only as long as the health  
25 care provider meets the requirements for qualification. A health care  
26 provider who has once qualified under the act and who fails to renew or  
27 continue his or her qualification in the manner provided by law and by  
28 the rules and regulations of the Department of Insurance shall cease to  
29 be qualified under the act.

30 Sec. 58. Section 44-2825, Reissue Revised Statutes of Nebraska, is  
31 amended to read:

1           44-2825 (1) The total amount recoverable under the Nebraska  
2 Hospital-Medical Liability Act from any and all health care providers and  
3 the Excess Liability Fund for any occurrence resulting in any injury or  
4 death of a patient may not exceed (a) five hundred thousand dollars for  
5 any occurrence on or before December 31, 1984, (b) one million dollars  
6 for any occurrence after December 31, 1984, and on or before December 31,  
7 1992, (c) one million two hundred fifty thousand dollars for any  
8 occurrence after December 31, 1992, and on or before December 31, 2003,  
9 (d) one million seven hundred fifty thousand dollars for any occurrence  
10 after December 31, 2003, and on or before December 31, 2014, and (e) two  
11 million two hundred fifty thousand dollars for any occurrence after  
12 December 31, 2014.

13           (2) A health care provider qualified under the act shall not be  
14 liable to any patient or his or her representative who is covered by the  
15 act for an amount in excess of eight ~~five~~ hundred thousand dollars for  
16 all claims or causes of action arising from any occurrence during the  
17 period that the act is effective with reference to such patient.

18           (3) Subject to the overall limits from all sources as provided in  
19 subsection (1) of this section, any amount due from a judgment or  
20 settlement which is in excess of the total liability of all liable health  
21 care providers shall be paid from the Excess Liability Fund pursuant to  
22 sections 44-2831 to 44-2833.

23           (4) Nothing in the Nebraska Hospital-Medical Liability Act shall be  
24 construed to require the Excess Liability Fund to provide coverage for  
25 the first eight hundred thousand dollars per occurrence or to provide a  
26 defense for or on behalf of a qualified health care provider after the  
27 provider's annual aggregate limit of liability amount set forth in  
28 sections 44-2824 and 44-2827 has been exhausted. A qualified health care  
29 provider's purchase of coverage with an aggregate limit of liability  
30 higher than required by sections 44-2824 and 44-2827 shall not affect a  
31 payment obligation under the Excess Liability Fund required pursuant to

1 this section.

2       Sec. 59. Section 44-2827, Reissue Revised Statutes of Nebraska, is  
3 amended to read:

4       44-2827 Financial responsibility of a health care provider may be  
5 established only by filing with the director proof that the health care  
6 provider is insured pursuant to sections 44-2837 to 44-2839 or by a  
7 policy of professional liability insurance in a company authorized to do  
8 business in Nebraska. Such insurance shall be in the amount of eight five  
9 hundred thousand dollars per occurrence, ~~and, in cases involving~~  
10 ~~physicians or certified registered nurse anesthetists, but not with~~  
11 ~~respect to hospitals, an aggregate liability of at least one million~~  
12 ~~dollars for all occurrences or claims made in any policy year shall be~~  
13 ~~provided. In the case of hospitals and their employees, an aggregate~~  
14 liability amount of three million dollars for all occurrences or claims  
15 made in any policy year shall be provided. The filing shall state the  
16 premium charged for the policy of insurance.

17       Sec. 60. Section 44-2831.01, Reissue Revised Statutes of Nebraska,  
18 is amended to read:

19       44-2831.01 (1) Any health care provider who has furnished proof of  
20 financial responsibility prior to January 1, 2025 ~~2005~~, under sections  
21 44-2824 and 44-2827 shall be qualified under section 44-2824 for the  
22 remainder of the policy year or risk-loss trust year.

23       (2) The increases in coverage requirements made by Laws 2004, LB  
24 998, in sections 44-2824 and 44-2827 shall apply to policies issued or  
25 renewed and risk-loss trust years that ~~which~~ commence after January 1,  
26 2005, and before January 1, 2025.

27       (3) The changes made to sections 44-2825, 44-2832, and 44-2833 by  
28 Laws 2004, LB 998, apply commencing with policies issued or renewed and  
29 risk-loss trust years that ~~which~~ commence after January 1, 2005, and  
30 before January 1, 2025.

31       (4) The increases in coverage requirements made by this legislative



1 bill in sections 44-2824 and 44-2827 shall apply to policies issued or  
2 renewed and risk-loss trust years that commence on or after January 1,  
3 2025.

4 (5) The changes made to sections 44-2825, 44-2832, and 44-2833 by  
5 this legislative bill apply commencing with policies issued or renewed  
6 and risk-loss trust years that commence on or after January 1, 2025.

7 Sec. 61. Section 44-2832, Reissue Revised Statutes of Nebraska, is  
8 amended to read:

9 44-2832 (1) The Director of Administrative Services shall issue a  
10 warrant drawn on the fund in the amount of each claim submitted by the  
11 director. All claims against the fund shall be made on a voucher or other  
12 appropriate request by the director after he or she has received:

13 (a) A certified copy of a final judgment in excess of eight ~~five~~  
14 hundred thousand dollars against a health care provider and in excess of  
15 the amount recoverable from all health care providers;

16 (b) A certified copy of a court-approved settlement in excess of  
17 eight ~~five~~ hundred thousand dollars against a health care provider and in  
18 excess of the amount recoverable from all health care providers; or

19 (c) In case of claims based on primary insurance issued by the risk  
20 manager under sections 44-2837 to 44-2839, a certified copy of a final  
21 judgment or court-approved settlement requiring payment from the fund.

22 (2) The amount paid from the fund for excess liability when added to  
23 the payments by all health care providers may not exceed the maximum  
24 amount recoverable pursuant to subsection (1) of section 44-2825. The  
25 amount paid from the fund on account of a primary insurance policy issued  
26 by the risk manager to a health care provider under sections 44-2837 to  
27 44-2839 may not exceed eight ~~five~~ hundred thousand dollars for any one  
28 occurrence covered by such policy under any circumstances.

29 Sec. 62. Section 44-2833, Reissue Revised Statutes of Nebraska, is  
30 amended to read:

31 44-2833 (1) If the insurer of a health care provider shall agree to

1 settle its liability on a claim against its insured by payment of its  
2 policy limits of eight ~~five~~ hundred thousand dollars and the claimant  
3 shall demand an amount in excess thereof for a complete and final release  
4 and if no other health care provider is involved, the procedures  
5 prescribed in this section shall be followed.

6 (2) A motion shall be filed by the claimant with the court in which  
7 the action is pending against the health care provider or, if no action  
8 is pending, the claimant shall file a complaint in one of the district  
9 courts of the State of Nebraska, seeking approval of an agreed  
10 settlement, if any, or demanding payment of damages from the Excess  
11 Liability Fund.

12 (3) A copy of such motion or complaint shall be served on the  
13 director, the health care provider, and the health care provider's  
14 insurer and shall contain sufficient information to inform the parties  
15 concerning the nature of the claim and the additional amount demanded.  
16 The health care provider and his or her insurer shall have a right to  
17 intervene and participate in the proceedings.

18 (4) The director, with the consent of the health care provider, may  
19 agree to a settlement with the claimant from the Excess Liability Fund.  
20 Either the director or the health care provider may file written  
21 objections to the payment of the amount demanded. The agreement or  
22 objections to the payment demanded shall be filed within twenty days  
23 after the motion or complaint is filed.

24 (5) After the motion or complaint, agreement, and objections, if  
25 any, have been filed, the judge shall set the matter for trial as soon as  
26 practicable. The court shall give notice of the trial to the claimant,  
27 the health care provider, and the director.

28 (6) At the trial, the director, the claimant, and the health care  
29 provider may introduce relevant evidence to enable the court to determine  
30 whether or not the settlement should be approved if it has been submitted  
31 on agreement without objections. If the director, the health care

1 provider, and the claimant shall be unable to agree on the amount, if  
2 any, to be paid out of the Excess Liability Fund, the amount of  
3 claimant's damages, if any, in excess of the eight ~~five~~ hundred thousand  
4 dollars already paid by the insurer of the health care provider shall be  
5 determined at trial.

6 (7) The court shall determine the amount for which the fund is  
7 liable and render a finding and judgment accordingly. In approving a  
8 settlement or determining the amount, if any, to be paid from the Excess  
9 Liability Fund in such a case, the court shall consider the liability of  
10 the health care provider as admitted and established by evidence.

11 (8) Any settlement approved by the court may not be appealed. Any  
12 judgment of the court fixing damages recoverable in any such contested  
13 proceeding shall be appealable pursuant to the rules governing appeals in  
14 any other civil case.

15 Sec. 63. Section 44-3308, Reissue Revised Statutes of Nebraska, is  
16 amended to read:

17 44-3308 (1) An insurer whose purposes according to its articles of  
18 incorporation are restricted to transacting legal expense insurance and  
19 business reasonably related thereto shall deposit with the director  
20 securities eligible for deposit by an insurance company, which shall have  
21 at all times a market value of not less than one hundred fifty thousand  
22 dollars, or as provided by subsection (7) of this section. A deposit  
23 under this section shall be held to assure the faithful performance of  
24 the insurer's obligations to its policyholders or policyholders and  
25 creditors.

26 (2) In lieu of any deposit of securities required under subsection  
27 (1) of this section, the insurer may file with the director a surety bond  
28 in the amount of one hundred fifty thousand dollars, or as provided by  
29 subsection (7) of this section. The bond shall be one issued by an  
30 insurance company authorized to do business in the State of Nebraska. The  
31 bond shall be for the same purposes as the deposit in lieu of which it is

1 filed, and it shall be subject to the director's approval. No such bond  
2 shall be canceled or subject to cancellation unless at least thirty days'  
3 advance notice thereof, in writing, is filed with the director.

4 (3) Securities or bond posted by the insurer pursuant to subsection  
5 (1) or (2) of this section shall be for the benefit of and subject to  
6 action thereon in the event of insolvency of the insurer by any person or  
7 persons sustaining an actionable injury due to the failure of the insurer  
8 to faithfully perform its obligations to its policyholders or  
9 policyholders and creditors.

10 (4) The State of Nebraska shall be responsible for the safekeeping  
11 of all securities deposited with the director under this section. The  
12 securities shall not, on account of being in this state, be subject to  
13 taxation.

14 (5) The depositing insurer shall, during its solvency, have the  
15 right to exchange or substitute other securities of a like quality and  
16 value for securities on deposit, to receive the interest and other income  
17 accruing on such securities, and to inspect the deposit at all reasonable  
18 times.

19 (6) The deposit or bond shall be maintained unimpaired as long as  
20 the insurer continues in business in this state. Whenever the insurer  
21 ceases to do business and furnishes to the director proof satisfactory to  
22 the director that the insurer adequately provided for all of its  
23 obligations to its policyholders, creditors, or contract holders in this  
24 state, the director shall release the deposited securities to the parties  
25 entitled thereto, on presentation of the director's receipts for such  
26 securities, or shall release any bond filed with it in lieu of such  
27 deposit.

28 (7) The director may reduce the minimum market value of securities  
29 required under subsection (1) of this section or the amount of the surety  
30 bond required under subsection (2) of this section if he or she finds  
31 that the reduction is justified by:

- 1 (a) The terms and number of existing contracts with subscribers;
- 2 (b) Support by financially sound public or private organizations or
- 3 agencies;
- 4 (c) Agreements with lawyers or paralegal personnel for the providing
- 5 of legal services;
- 6 (d) Agreements with other persons for insuring the payment of the
- 7 cost of legal services or the provision for alternative coverage in the
- 8 event the insurer is unable to perform its obligations; or
- 9 (e) Other reliable financial guarantees.
- 10 (8) No part of the securities or bond to be filed under this section
- 11 shall be supplied directly or indirectly by dues payments made for the
- 12 purpose of meeting requirements to practice a profession.

13 Sec. 64. Section 44-4054, Reissue Revised Statutes of Nebraska, is

14 amended to read:

15 44-4054 (1) Unless denied licensure pursuant to section 44-4059, a

16 person who has met the requirements of sections 44-4052 and 44-4053 shall

17 be issued an insurance producer license. An insurance producer may

18 receive qualification for a license in one or more of the following lines

19 of authority:

20 (a) Life insurance coverage on human lives, including benefits of

21 endowment and annuities, and may include benefits in the event of death

22 or dismemberment by accident and benefits for disability income;

23 (b) Accident and health or sickness, insurance coverage for

24 sickness, bodily injury, or accidental death and may include benefits for

25 disability income;

26 (c) Property insurance coverage for the direct or consequential loss

27 or damage to property of every kind;

28 (d) Casualty insurance coverage against legal liability, including

29 that for death, injury, or disability or damage to real or personal

30 property;

31 (e) Variable life and variable annuity products, insurance coverage

1 provided under variable life insurance contracts, and variable annuities;  
2 (f) Limited line credit insurance;  
3 (g) Limited line pre-need funeral insurance;  
4 (h) Personal lines property and casualty insurance coverage sold to  
5 individuals and families for primarily noncommercial purposes; and  
6 (i) Any other line of insurance permitted under Nebraska laws,  
7 rules, or regulations.

8 (2) An insurance producer license shall remain in effect unless  
9 revoked or suspended if the fee set forth in section 44-4064 is paid and  
10 education requirements for resident individual producers are met by the  
11 due date.

12 (3) All business entity licenses issued under the Insurance  
13 Producers Licensing Act shall expire on April 30 of each even-numbered  
14 year, and all producers licenses shall expire on the last day of the  
15 month of the producer's birthday in the first year after issuance in  
16 which his or her age is divisible by two. Such producer licenses may be  
17 renewed within the ninety-day period before their expiration dates.  
18 Business entity and producer licenses also may be renewed within the  
19 thirty-day period after their expiration dates upon payment of a late  
20 renewal fee as established by the director pursuant to section 44-4064 in  
21 addition to the applicable fee otherwise required for renewal of business  
22 entity and producer licenses as established by the director pursuant to  
23 such section. All business entity and producer licenses renewed within  
24 the thirty-day period after their expiration dates pursuant to this  
25 subsection shall be deemed to have been renewed before their expiration  
26 dates.

27 (4) The director may establish procedures for renewal of licenses by  
28 rule and regulation adopted and promulgated pursuant to the  
29 Administrative Procedure Act.

30 (5) An individual insurance producer who allows his or her license  
31 to lapse may, within twelve months from the due date of the renewal fee,

1 reinstate the same license without the necessity of passing a written  
2 examination. Producer licenses reinstated pursuant to this subsection  
3 shall be issued only after payment of a reinstatement fee as established  
4 by the director pursuant to section 44-4064 in addition to the applicable  
5 fee otherwise required for renewal of producer licenses as established by  
6 the director pursuant to such section.

7 (6) The director may grant a licensed insurance producer who is  
8 unable to comply with license renewal procedures due to military service  
9 or some other extenuating circumstance, including, but not limited to, a  
10 long-term medical disability, a waiver of those procedures. The director  
11 may grant a producer a waiver of any examination requirement or any other  
12 fine, fee, or sanction imposed for failure to comply with renewal  
13 procedures.

14 (7) The license shall contain the licensee's name, address, and  
15 personal identification number, the date of issuance, the lines of  
16 authority, the expiration date, and any other information the director  
17 deems necessary.

18 (8) Licensees shall inform the director by any means acceptable to  
19 the director of a change of legal name or address within thirty days  
20 after the change. Any person failing to provide such notification shall  
21 be subject to a fine by the director of not more than five hundred  
22 dollars per violation, suspension of the person's license until the  
23 change of address is reported to the director, or both.

24 (9) The director may contract with nongovernmental entities,  
25 including the National Association of Insurance Commissioners or any  
26 affiliates or subsidiaries that the National Association of Insurance  
27 Commissioners oversees, to perform any ministerial functions, including  
28 the collection of fees, related to producer licensing that the director  
29 may deem appropriate.

30 Sec. 65. Section 44-5140, Reissue Revised Statutes of Nebraska, is  
31 amended to read:

1           44-5140 (1) An insurer may invest in the preferred stock of any  
2 corporation which:

3           ~~(a) Has retained earnings of not less than one million dollars;~~

4           (a) ~~(b)~~ Has earned and paid regular dividends at the regular  
5 prescribed rate each year upon its preferred stock, if any is or has been  
6 outstanding, for not less than five years immediately preceding the  
7 purchase of such preferred stock or during such part of such five-year  
8 period as it has had preferred stock outstanding; and

9           (b) ~~(c)~~ Has had no material defaults in principal payments of or  
10 interest on any obligations of such corporation and its subsidiaries  
11 having a priority equal to or higher than those purchased during the  
12 period of five years immediately preceding the date of acquisition or, if  
13 outstanding for less than five years, at any time since such obligations  
14 were issued.

15           The earnings of and the regular dividends paid by all predecessor,  
16 merged, consolidated, or purchased corporations may be included through  
17 the use of consolidated or pro forma statements.

18           (2) Except as authorized under the Insurance Holding Company System  
19 Act, an insurer shall not own more than five percent of the total issued  
20 shares of stock of any corporation other than an insurer.

21           (3) A life insurer's investments authorized under this section shall  
22 not exceed the greater of twenty-five percent of its admitted assets or  
23 one hundred percent of its policyholders surplus, nor shall a life  
24 insurer's investments authorized under this section that are not rated  
25 P-1 or P-2 by the Securities Valuation Office exceed ten percent of its  
26 admitted assets.

27           Sec. 66. Section 44-5141, Revised Statutes Cumulative Supplement,  
28 2022, is amended to read:

29           44-5141 (1) An insurer may invest in the common stock or rights to  
30 purchase or sell common stock of any corporation ~~which has retained~~  
31 ~~earnings of not less than one million dollars, except that an investment~~



1 ~~may be made in any corporation having a majority of its operations in~~  
2 ~~this state which has retained earnings of not less than two hundred fifty~~  
3 ~~thousand dollars. The earnings of all predecessor, merged, consolidated,~~  
4 ~~or purchased corporations shall be included through the use of~~  
5 ~~consolidated or pro forma statements.~~

6 (2)(a) An insurer may invest in equity interests or rights to  
7 purchase or sell equity interests in business entities other than general  
8 partnerships unless the general partnership is wholly owned by the  
9 insurer.

10 (b) A life insurer shall not invest under this subsection in any  
11 investment which the life insurer may invest in under section 44-5140 or  
12 44-5144 or subsection (1) of this section.

13 (3) A life insurer's investments authorized under this section shall  
14 not exceed the greater of one hundred percent of its policyholders  
15 surplus or twenty percent of its admitted assets.

16 Sec. 67. Section 45-191.01, Reissue Revised Statutes of Nebraska, is  
17 amended to read:

18 45-191.01 (1) Prior to a borrower signing a loan brokerage  
19 agreement, the loan broker shall give the borrower a written disclosure  
20 statement. The cover sheet of the disclosure statement shall have  
21 printed, in at least ten-point boldface capital letters, the title  
22 DISCLOSURES REQUIRED BY NEBRASKA LAW. The following statement, printed in  
23 at least ten-point type, shall appear under the title:

24 THE STATE OF NEBRASKA HAS NOT REVIEWED AND DOES NOT APPROVE,  
25 RECOMMEND, ENDORSE, OR SPONSOR ANY LOAN BROKERAGE AGREEMENT. THE  
26 INFORMATION CONTAINED IN THIS DISCLOSURE DOCUMENT HAS NOT BEEN VERIFIED  
27 BY THE STATE. IF YOU HAVE QUESTIONS, SEEK LEGAL ADVICE BEFORE YOU SIGN A  
28 LOAN BROKERAGE AGREEMENT.

29 Only the title and the statement shall appear on the cover sheet.

30 (2) The body of the disclosure statement shall contain the following  
31 information:

1 (a) The name, street address, and telephone number of the loan  
2 broker, the names under which the loan broker does, has done, or intends  
3 to do business, the name and street address of any parent or affiliated  
4 company, and the electronic mail and Internet address of the loan broker,  
5 ~~if any~~;

6 (b) A statement as to whether the loan broker does business as an  
7 individual, a partnership, a corporation, or another organizational form,  
8 including identification of the state of incorporation or formation;

9 (c) How long the loan broker has done business;

10 (d) The number of loan brokerage agreements the loan broker has  
11 entered into in the previous twelve months;

12 (e) The number of loans the loan broker has obtained for borrowers  
13 in the previous twelve months;

14 (f) A description of the services the loan broker agrees to perform  
15 for the borrower;

16 (g) The conditions under which the borrower is obligated to pay the  
17 loan broker. This disclosure shall be in boldface type;

18 (h) The names, titles, and principal occupations for the past five  
19 years of all officers, directors, or persons occupying similar positions  
20 responsible for the loan broker's business activities;

21 (i) A statement whether the loan broker or any person identified in  
22 subdivision (h) of this subsection:

23 (i) Has been convicted of a felony or misdemeanor or pleaded nolo  
24 contendere to a felony or misdemeanor charge if such felony or  
25 misdemeanor involved fraud, embezzlement, fraudulent conversion, or  
26 misappropriation of property;

27 (ii) Has been held liable in a civil action by final judgment or  
28 consented to the entry of a stipulated judgment if the civil action  
29 alleged fraud, embezzlement, fraudulent conversion, or misappropriation  
30 of property or the use of untrue or misleading representations in an  
31 attempt to sell or dispose of real or personal property or the use of

1 unfair, unlawful, or deceptive business practices; or

2 (iii) Is subject to any currently effective injunction or  
3 restrictive order relating to business activity as the result of an  
4 action brought by a public agency or department including, but not  
5 limited to, action affecting any vocational license; and

6 (j) Any other information the director requires.

7 Sec. 68. Section 45-191.04, Reissue Revised Statutes of Nebraska, is  
8 amended to read:

9 45-191.04 (1) A loan brokerage agreement shall be in writing and  
10 shall be signed by the loan broker and the borrower. The loan broker  
11 shall furnish the borrower a copy of such signed loan brokerage agreement  
12 at the time the borrower signs it.

13 (2) The borrower has the right to cancel a loan brokerage agreement  
14 for any reason at any time within five business days after the date the  
15 parties sign the agreement. The loan brokerage agreement shall set forth  
16 the borrower's right to cancel and the procedures to be followed when an  
17 agreement is canceled.

18 (3) A loan brokerage agreement shall set forth in at least ten-point  
19 type, or handwriting of at least equivalent size, the following:

20 (a) The terms and conditions of payment;

21 (b) A full and detailed description of the acts or services the loan  
22 broker will undertake to perform for the borrower;

23 (c) The loan broker's principal business address, telephone number,  
24 and electronic mail and Internet address, ~~if any,~~ and the name, address,  
25 telephone number, and electronic mail and Internet address, if any, of  
26 its agent in the State of Nebraska authorized to receive service of  
27 process;

28 (d) The business form of the loan broker, whether a corporation,  
29 partnership, limited liability company, or otherwise; and

30 (e) The following notice of the borrower's right to cancel the loan  
31 brokerage agreement pursuant to this section:

1 "You have five business days in which you may cancel this agreement  
 2 for any reason by mailing or delivering written notice to the loan  
 3 broker. The five business days shall expire on ..... (last  
 4 date to mail or deliver notice), and notice of cancellation should be  
 5 mailed to ..... (loan broker's name  
 6 and business street address). If you choose to mail your notice, it must  
 7 be placed in the United States mail properly addressed, first-class  
 8 postage prepaid, and postmarked before midnight of the above date. If you  
 9 choose to deliver your notice to the loan broker directly, it must be  
 10 delivered to the loan broker by the end of the normal business day on the  
 11 above date. Within five business days after receipt of the notice of  
 12 cancellation, the loan broker shall return to you all sums paid by you to  
 13 the loan broker pursuant to this agreement."

14 The notice shall be set forth immediately above the place at which  
 15 the borrower signs the loan brokerage agreement.

16 Sec. 69. Section 45-735, Reissue Revised Statutes of Nebraska, is  
 17 amended to read:

18 45-735 (1) A mortgage loan originator shall be an employee or  
 19 independent agent of a single licensed mortgage banker, registrant, or  
 20 installment loan company that shall directly supervise, control, and  
 21 maintain responsibility for the acts and omissions of the mortgage loan  
 22 originator.

23 (2)(a) ~~(2)~~ A mortgage loan originator shall not engage in mortgage  
 24 loan origination activities at any location that is not a main office  
 25 location of a licensed mortgage banker, registrant, or installment loan  
 26 company or a branch office of a licensed mortgage banker or registrant.  
 27 The licensed mortgage banker, registrant, or installment loan company  
 28 shall designate the location or locations at which each mortgage loan  
 29 originator is originating residential mortgage loans.

30 (b) The department may adopt and promulgate rules, regulations, and  
 31 orders to authorize and regulate the use of remote work arrangements

1 conducted outside of a main office location or branch office by employees  
2 or agents, including mortgage loan originators, of licensed mortgage  
3 bankers, registrants, or installment loan companies.

4 (3) Any licensed mortgage banker, registrant, or installment loan  
5 company who engages an independent agent as a mortgage loan originator  
6 shall maintain a written agency contract with such mortgage loan  
7 originator. Such written agency contract shall provide that the mortgage  
8 loan originator is originating loans exclusively for the licensed  
9 mortgage banker, registrant, or installment loan company.

10 (4) A licensed mortgage banker, registrant, or installment loan  
11 company that has hired a licensed mortgage loan originator as an employee  
12 or entered into an independent agent agreement with such licensed  
13 mortgage loan originator shall provide notification to the department as  
14 soon as reasonably possible after entering into such relationship, along  
15 with a fee of fifty dollars. The employing entity shall not allow the  
16 mortgage loan originator to conduct such activity in this state prior to  
17 such notification to the department and confirmation that the department  
18 has received notice of the termination of the mortgage loan originator's  
19 prior employment.

20 (5) A licensed mortgage banker, registrant, or installment loan  
21 company shall notify the department no later than ten days after the  
22 termination, whether voluntary or involuntary, of a mortgage loan  
23 originator unless the mortgage loan originator has previously notified  
24 the department of the termination.

25 Sec. 70. Section 45-1002, Reissue Revised Statutes of Nebraska, is  
26 amended to read:

27 45-1002 (1) For purposes of the Nebraska Installment Loan Act:

28 (a) Applicant means a person applying for a license under the act;

29 (b) Breach of security of the system means unauthorized acquisition  
30 of data that compromises the security, confidentiality, or integrity of  
31 the information maintained by the Nationwide Mortgage Licensing System

1 and Registry, its affiliates, or its subsidiaries;

2 (c) Consumer means an individual who is a resident of Nebraska and  
3 who seeks to obtain, obtains, or has obtained a loan that is to be used  
4 primarily for personal, family, or household purposes;

5 (d) ~~(e)~~ Department means the Department of Banking and Finance;

6 (e) ~~(d)~~ Debt cancellation contract means a loan term or contractual  
7 arrangement modifying loan terms under which a financial institution or  
8 licensee agrees to cancel all or part of a borrower's obligation to repay  
9 an extension of credit from the financial institution or licensee upon  
10 the occurrence of a specified event. The debt cancellation contract may  
11 be separate from or a part of other loan documents. The term debt  
12 cancellation contract does not include loan payment deferral arrangements  
13 in which the triggering event is the borrower's unilateral election to  
14 defer repayment or the financial institution's or licensee's unilateral  
15 decision to allow a deferral of repayment;

16 (f) ~~(e)~~ Debt suspension contract means a loan term or contractual  
17 arrangement modifying loan terms under which a financial institution or  
18 licensee agrees to suspend all or part of a borrower's obligation to  
19 repay an extension of credit from the financial institution or licensee  
20 upon the occurrence of a specified event. The debt suspension contract  
21 may be separate from or a part of other loan documents. The term debt  
22 suspension contract does not include loan payment deferral arrangements  
23 in which the triggering event is the borrower's unilateral election to  
24 defer repayment or the financial institution's or licensee's unilateral  
25 decision to allow a deferral of repayment;

26 (g) ~~(f)~~ Director means the Director of Banking and Finance;

27 (h) ~~(g)~~ Financial institution has the same meaning as in section  
28 8-101.03;

29 (i) ~~(h)~~ Guaranteed asset protection waiver means a waiver that is  
30 offered, sold, or provided in accordance with the Guaranteed Asset  
31 Protection Waiver Act;

1           (j) ~~(i)~~ Licensee means any person who obtains a license under the  
2 Nebraska Installment Loan Act;

3           (k) Loan means a loan or any extension of credit to a consumer  
4 originated or made with an interest rate greater than the maximum  
5 interest rate allowed under section 45-101.03 and a principal balance of  
6 less than twenty-five thousand dollars;

7           (1)(i) ~~(j)(i)~~ Mortgage loan originator means an individual who for  
8 compensation or gain (A) takes a residential mortgage loan application or  
9 (B) offers or negotiates terms of a residential mortgage loan.

10           (ii) Mortgage loan originator does not include (A) any individual  
11 who is not otherwise described in subdivision (i)(A) of this subdivision  
12 and who performs purely administrative or clerical tasks on behalf of a  
13 person who is described in subdivision (i) of this subdivision, (B) a  
14 person or entity that only performs real estate brokerage activities and  
15 is licensed or registered in accordance with applicable state law, unless  
16 the person or entity is compensated by a lender, a mortgage broker, or  
17 other mortgage loan originator or by any agent of such lender, mortgage  
18 broker, or other mortgage loan originator, or (C) a person or entity  
19 solely involved in extensions of credit relating to time-share programs  
20 as defined in section 76-1702;

21           (m) ~~(k)~~ Nationwide Mortgage Licensing System and Registry means a  
22 licensing system developed and maintained by the Conference of State Bank  
23 Supervisors and the American Association of Residential Mortgage  
24 Regulators for the licensing and registration of mortgage loan  
25 originators, mortgage bankers, installment loan companies, and other  
26 state-regulated financial services entities and industries;

27           (n) ~~(l)~~ Person means individual, partnership, limited liability  
28 company, association, financial institution, trust, corporation, and any  
29 other legal entity; and

30           (o) ~~(m)~~ Real property means an owner-occupied single-family, two-  
31 family, three-family, or four-family dwelling which is located in this

1 state, which is occupied, used, or intended to be occupied or used for  
2 residential purposes, and which is, or is intended to be, permanently  
3 affixed to the land.

4 (2) Except as provided in subsection (3) of section 45-1017 and  
5 subsection (4) of section 45-1019, no revenue arising under the Nebraska  
6 Installment Loan Act shall inure to any school fund of the State of  
7 Nebraska or any of its governmental subdivisions.

8 ~~(3) Loan, when used in the Nebraska Installment Loan Act, does not~~  
9 ~~include any loan made by a person who is not a licensee on which the~~  
10 ~~interest does not exceed the maximum rate permitted by section 45-101.03.~~

11 (3) (4) Nothing in the Nebraska Installment Loan Act applies to any  
12 loan made by a person who is not a licensee if the interest on the loan  
13 does not exceed the maximum rate permitted by section 45-101.03.

14 Sec. 71. Section 45-1003, Reissue Revised Statutes of Nebraska, is  
15 amended to read:

16 45-1003 No financial institution is eligible for a license or to  
17 make loans under the Nebraska Installment Loan Act.

18 A license shall be required for any person that is not a financial  
19 institution who, at or after the time a loan is made by a financial  
20 institution, markets, owns in whole or in part, holds, acquires,  
21 services, or otherwise participates in such loan.

22 Sec. 72. Section 45-1006, Reissue Revised Statutes of Nebraska, is  
23 amended to read:

24 45-1006 (1) When an application for an original installment loan  
25 license has been accepted by the director as substantially complete,  
26 notice of the filing of the application shall be published by the  
27 department three successive weeks in a legal newspaper published in or of  
28 general circulation in the county where the applicant proposes to operate  
29 the business of lending money. A public hearing shall be held on each  
30 application except as provided in subsection (2) of this section. The  
31 date for hearing shall not be less than thirty days after the last



1 publication. Written protest against the issuance of the license may be  
2 filed with the department by any person not less than five days before  
3 the date set for hearing. The director, in his or her discretion, may  
4 grant a continuance. The costs of the hearing shall be paid by the  
5 applicant. The director may deny any application for license after  
6 hearing. The director shall, in his or her discretion, make examination  
7 and inspection concerning the propriety of the issuance of a license to  
8 any applicant. The cost of such examination and inspection shall be paid  
9 by the applicant.

10 (2) The director may waive the hearing requirements of subsection  
11 (1) of this section if (a) the applicant (i) does not originate loans  
12 under the Nebraska Installment Loan Act or (ii) has held, and operated  
13 under, a license to engage in the business of lending money in Nebraska  
14 pursuant to the Nebraska Installment Loan Act for at least one calendar  
15 year immediately prior to the filing of the application, (b) no written  
16 protest against the issuance of the license has been filed with the  
17 department within fifteen days after publication of a notice of the  
18 filing of the application one time in a newspaper of general circulation  
19 in the county where the applicant proposes to operate the business of  
20 lending money, and (c) in the judgment of the director, the experience,  
21 character, and general fitness of the applicant warrant the belief that  
22 the applicant will comply with the Nebraska Installment Loan Act.

23 (3) The expense of any publication made pursuant to this section  
24 shall be paid by the applicant.

25 Sec. 73. Section 58-201, Reissue Revised Statutes of Nebraska, is  
26 amended to read:

27 58-201 Sections 58-201 to 58-272 and section 74 of this act shall be  
28 known and may be cited as the Nebraska Investment Finance Authority Act.

29 Sec. 74. (1) For purposes of this section, Olmstead Plan means the  
30 comprehensive strategic plan for providing services to individuals with  
31 disabilities that was developed in accordance with section 81-6,122.

1       (2) In order to help fulfill one of the goals of the Olmstead Plan,  
2 the authority shall use its best efforts to obtain state and federal  
3 grants for the purpose of building safe, affordable, and accessible  
4 housing for individuals with disabilities.

5       (3) The authority shall collaborate with the Department of Economic  
6 Development and the Department of Health and Human Services in obtaining  
7 such grants.

8       Sec. 75. (1) For purposes of this section, Olmstead Plan means the  
9 comprehensive strategic plan for providing services to individuals with  
10 disabilities that was developed in accordance with section 81-6,122.

11       (2) In order to help fulfill one of the goals of the Olmstead Plan,  
12 the Department of Economic Development shall use its best efforts to  
13 obtain state and federal grants for the purpose of building safe,  
14 affordable, and accessible housing for individuals with disabilities.

15       (3) The Department of Economic Development shall collaborate with  
16 the Nebraska Investment Finance Authority and the Department of Health  
17 and Human Services in obtaining such grants. The Department of Economic  
18 Development shall use its best efforts to coordinate and contract with  
19 the Nebraska Investment Finance Authority to develop and administer grant  
20 programs under this section.

21       Sec. 76. Section 59-1722, Revised Statutes Cumulative Supplement,  
22 2022, is amended to read:

23       59-1722 (1) Any transaction involving the sale of a franchise as  
24 defined in 16 C.F.R. 436.1(h), as such regulation existed on January 1,  
25 2023 2022, shall be exempt from the Seller-Assisted Marketing Plan Act,  
26 except that such transactions shall be subject to subdivision (1)(d) of  
27 section 59-1757, those provisions regulating or prescribing the use of  
28 the phrase buy-back or secured investment or similar phrases as set forth  
29 in sections 59-1726 to 59-1728 and 59-1751, and all sections which  
30 provide for their enforcement. The exemption shall only apply if:

31       (a) The franchise is offered and sold in compliance with the

1 requirements of 16 C.F.R. part 436, Disclosure Requirements and  
2 Prohibitions Concerning Franchising, as such part existed on January 1,  
3 2023 ~~2022~~;

4 (b) Before placing any advertisement in a Nebraska-based  
5 publication, offering for sale to any prospective purchaser in Nebraska,  
6 or making any representations in connection with such offer or sale to  
7 any prospective purchaser in Nebraska, the seller files a notice with the  
8 Department of Banking and Finance which contains (i) the name, address,  
9 and telephone number of the seller and the name under which the seller  
10 intends to do business and (ii) a brief description of the plan offered  
11 by the seller; and

12 (c) The seller pays a filing fee of one hundred dollars.

13 (2) The department may request a copy of the disclosure document  
14 upon receipt of a written complaint or inquiry regarding the seller or  
15 upon a reasonable belief that a violation of the Seller-Assisted  
16 Marketing Plan Act has occurred or may occur. The seller shall provide  
17 such copy within ten business days of receipt of the request.

18 (3) All funds collected by the department under this section shall  
19 be remitted to the State Treasurer for credit to the Securities Act Cash  
20 Fund.

21 (4) The Director of Banking and Finance may by order deny or revoke  
22 an exemption specified in this section with respect to a particular  
23 offering of one or more business opportunities if the director finds that  
24 such an order is in the public interest or is necessary for the  
25 protection of purchasers. An order shall not be entered without  
26 appropriate prior notice to all interested parties, an opportunity for  
27 hearing, and written findings of fact and conclusions of law. If the  
28 public interest or the protection of purchasers so requires, the director  
29 may by order summarily deny or revoke an exemption specified in this  
30 section pending final determination of any proceedings under this  
31 section. An order under this section shall not operate retroactively.

1           Sec. 77. Section 69-2103, Revised Statutes Cumulative Supplement,  
2 2022, is amended to read:

3           69-2103 For purposes of the Consumer Rental Purchase Agreement Act:

4           (1) Advertisement means a commercial message in any medium that  
5 aids, promotes, or assists directly or indirectly a consumer rental  
6 purchase agreement but does not include in-store merchandising aids such  
7 as window signs and ceiling banners;

8           (2) Cash price means the price at which the lessor would have sold  
9 the property to the consumer for cash on the date of the consumer rental  
10 purchase agreement for the property;

11           (3) Consumer means a natural person who rents property under a  
12 consumer rental purchase agreement;

13           (4) Consumer rental purchase agreement means an agreement which is  
14 for the use of property by a consumer primarily for personal, family, or  
15 household purposes, which is for an initial period of four months or  
16 less, whether or not there is any obligation beyond the initial period,  
17 which is automatically renewable with each payment, and which permits the  
18 consumer to become the owner of the property. A consumer rental purchase  
19 agreement in compliance with the act shall not be construed to be a lease  
20 or agreement which constitutes a credit sale as defined in 12 C.F.R.  
21 1026.2(a)(16), as such regulation existed on January 1, 2023 ~~2022~~, and 15  
22 U.S.C. 1602(h), as such section existed on January 1, 2023 ~~2022~~, or a  
23 lease which constitutes a consumer lease as defined in 12 C.F.R. 1013.2,  
24 as such regulation existed on January 1, 2023 ~~2022~~. Consumer rental  
25 purchase agreement does not include:

26           (a) Any lease for agricultural, business, or commercial purposes;

27           (b) Any lease made to an organization;

28           (c) A lease or agreement which constitutes an installment sale or  
29 installment contract as defined in section 45-335;

30           (d) A security interest as defined in subdivision (35) of section  
31 1-201, Uniform Commercial Code; and

1 (e) A home solicitation sale as defined in section 69-1601;

2 (5) Consummation means the occurrence of an event which causes a  
3 consumer to become contractually obligated on a consumer rental purchase  
4 agreement;

5 (6) Department means the Department of Banking and Finance;

6 (7) Lease payment means a payment to be made by the consumer for the  
7 right of possession and use of the property for a specific lease period  
8 but does not include taxes imposed on such payment;

9 (8) Lease period means a week, month, or other specific period of  
10 time, during which the consumer has the right to possess and use the  
11 property after paying the lease payment and applicable taxes for such  
12 period;

13 (9) Lessor means a person who in the ordinary course of business  
14 operates a commercial outlet which regularly leases, offers to lease, or  
15 arranges for the leasing of property under a consumer rental purchase  
16 agreement;

17 (10) Property means any property that is not real property under the  
18 laws of this state when made available for a consumer rental purchase  
19 agreement; and

20 (11) Total of payments to acquire ownership means the total of all  
21 charges imposed by the lessor and payable by the consumer as a condition  
22 of acquiring ownership of the property. Total of payments to acquire  
23 ownership includes lease payments and any initial nonrefundable  
24 administrative fee or required delivery charge but does not include  
25 taxes, late charges, reinstatement fees, or charges for optional products  
26 or services.

27 Sec. 78. Section 69-2104, Revised Statutes Cumulative Supplement,  
28 2022, is amended to read:

29 69-2104 (1) Before entering into any consumer rental purchase  
30 agreement, the lessor shall disclose to the consumer the following items  
31 as applicable:

1 (a) A brief description of the leased property sufficient to  
2 identify the property to the consumer and lessor;

3 (b) The number, amount, and timing of all payments included in the  
4 total of payments to acquire ownership;

5 (c) The total of payments to acquire ownership;

6 (d) A statement that the consumer will not own the property until  
7 the consumer has paid the total of payments to acquire ownership plus  
8 applicable taxes;

9 (e) A statement that the total of payments to acquire ownership does  
10 not include other charges such as taxes, late charges, reinstatement  
11 fees, or charges for optional products or services the consumer may have  
12 elected to purchase and that the consumer should see the rental purchase  
13 agreement for an explanation of these charges;

14 (f) A statement that the consumer is responsible for the fair market  
15 value, remaining rent, early purchase option amount, or cost of repair of  
16 the property, whichever is less, if it is lost, stolen, damaged, or  
17 destroyed;

18 (g) A statement indicating whether the property is new or used. A  
19 statement that indicates that new property is used shall not be a  
20 violation of the Consumer Rental Purchase Agreement Act;

21 (h) A statement of the cash price of the property. When the  
22 agreement involves a lease for two or more items, a statement of the  
23 aggregate cash price of all items shall satisfy the requirement of this  
24 subdivision;

25 (i) The total amount of the initial payments required to be paid  
26 before consummation of the agreement or delivery of the property,  
27 whichever occurs later, and an itemization of the components of the  
28 initial payment, including any initial nonrefundable administrative fee  
29 or delivery charge, lease payment, taxes, or fee or charge for optional  
30 products or services;

31 (j) A statement clearly summarizing the terms of the consumer's

1 options to purchase, including a statement that at any time after the  
2 first periodic payment is made the consumer may acquire ownership of the  
3 property by tendering an amount which may not exceed fifty-five percent  
4 of the difference between the total of payments to acquire ownership and  
5 the total of lease payments the consumer has paid on the property at that  
6 time;

7 (k) A statement identifying the party responsible for maintaining or  
8 servicing the property while it is being leased, together with a  
9 description of that responsibility and a statement that if any part of a  
10 manufacturer's warranty covers the leased property at the time the  
11 consumer acquires ownership of the property, such warranty shall be  
12 transferred to the consumer if allowed by the terms of the warranty; and

13 (1) The date of the transaction and the names of the lessor and the  
14 consumer.

15 (2) With respect to matters specifically governed by the federal  
16 Consumer Credit Protection Act, 15 U.S.C. 1601 et seq., as such act  
17 existed on January 1, 2023 ~~2022~~, compliance with such act shall satisfy  
18 the requirements of this section.

19 (3) Subsection (1) of this section shall not apply to a lessor who  
20 complies with the disclosure requirements of the federal Consumer Credit  
21 Protection Act, 15 U.S.C. 1667a, as such section existed on January 1,  
22 2023 ~~2022~~, with respect to a consumer rental purchase agreement entered  
23 into with a consumer.

24 Sec. 79. Section 69-2112, Revised Statutes Cumulative Supplement,  
25 2022, is amended to read:

26 69-2112 (1) Any advertisement for a consumer rental purchase  
27 agreement which refers to or states the amount of any payment or the  
28 right to acquire ownership for any specific item shall also state clearly  
29 and conspicuously the following if applicable:

30 (a) That the transaction advertised is a consumer rental purchase  
31 agreement;

1 (b) The total of payments to acquire ownership; and

2 (c) That the consumer acquires no ownership rights until the total  
3 of payments to acquire ownership is paid.

4 (2) Any owner or employee of any medium in which an advertisement  
5 appears or through which it is disseminated shall not be liable under  
6 this section.

7 (3) Subsection (1) of this section shall not apply to an  
8 advertisement which does not refer to a specific item of property, which  
9 does not refer to or state the amount of any payment, or which is  
10 published in the yellow pages of a telephone directory or any similar  
11 directory of business.

12 (4) With respect to matters specifically governed by the federal  
13 Consumer Credit Protection Act, 15 U.S.C. 1601 et seq., as such act  
14 existed on January 1, 2023 ~~2022~~, compliance with such act shall satisfy  
15 the requirements of this section.

16 Sec. 80. Section 76-1007, Reissue Revised Statutes of Nebraska, is  
17 amended to read:

18 76-1007 (1) The trustee or the attorney for the trustee shall give  
19 written notice of the time and place of sale particularly describing the  
20 property to be sold by publication of such notice, at least five times,  
21 once a week for five consecutive weeks, the last publication to be at  
22 least ten days but not more than thirty days prior to the sale, in some  
23 newspaper having a general circulation in each county in which the  
24 property to be sold, or some part thereof, is situated.

25 (2) The sale shall be held at the time and place designated in the  
26 notice of sale which shall be between the hours of nine a.m. and five  
27 p.m. and at (a) the premises, (b) or at the courthouse of the county in  
28 which the property to be sold, or some part thereof, is situated, or (c)  
29 a public building wherein one or more county offices are located within  
30 the county in which the property to be sold, or some part thereof, is  
31 situated.



1 (3) The notice of sale shall be sufficient if made in substantially  
2 the following form:

3 Notice of Trustee's Sale

4 The following described property will be sold at public auction to  
5 the highest bidder at the ..... door of the county courthouse  
6 in ....., County of ....., Nebraska, on .....,  
7 20.... .

8 (Name of Trustee) .....

9 Sec. 81. Section 77-6832, Revised Statutes Cumulative Supplement,  
10 2022, is amended to read:

11 77-6832 (1)(a) The credits prescribed in section 77-6831 for a year  
12 shall be established by filing the forms required by the Tax Commissioner  
13 with the income tax return for the taxable year which includes the end of  
14 the year the credits were earned. The credits may be used and shall be  
15 applied in the order in which they were first allowable under the Imagine  
16 Nebraska Act. To the extent the taxpayer has credits under the Nebraska  
17 Advantage Act or the Employment and Investment Growth Act still available  
18 for use in a year or years which overlap the performance period or  
19 carryover period of the Imagine Nebraska Act, the credits may be used and  
20 shall be applied in the order in which they were first allowable, and  
21 when there are credits of the same age, the older tax incentive program's  
22 credits shall be applied first. The credits may be used after any other  
23 nonrefundable credits to reduce the taxpayer's income tax liability  
24 imposed by sections 77-2714 to 77-27,135. Credits may be used beginning  
25 with the taxable year which includes December 31 of the year the required  
26 minimum levels were reached. The last year for which credits may be used  
27 is the taxable year which includes December 31 of the last year of the  
28 carryover period. Any decision on how part of the credit is applied shall  
29 not limit how the remaining credit could be applied under this section.

30 (b) The taxpayer may use the credit provided in subsection (4) of  
31 section 77-6831 (i) to reduce the taxpayer's income tax withholding

1 employer or payor tax liability under section 77-2756 or 77-2757, to the  
2 extent such liability is attributable to the number of new employees  
3 employed at the qualified location or locations, excluding any wages in  
4 excess of one million dollars paid to any one employee during the year or  
5 (ii) to reduce a qualified employee leasing company's income tax  
6 withholding employer or payor tax liability under section 77-2756 or  
7 77-2757, when the taxpayer is the client-lessee of such company, to the  
8 extent such liability is attributable to the number of new employees  
9 performing services for such client-lessee at the qualified location or  
10 locations, excluding any wages in excess of one million dollars paid to  
11 any one employee during the year. To the extent of the credit used, such  
12 withholding shall not constitute public funds or state tax revenue and  
13 shall not constitute a trust fund or be owned by the state. The use by  
14 the taxpayer or the qualified employee leasing company of the credit  
15 shall not change the amount that otherwise would be reported by the  
16 taxpayer, or such qualified employee leasing company, to the employee  
17 under section 77-2754 as income tax withheld and shall not reduce the  
18 amount that otherwise would be allowed by the state as a refundable  
19 credit on an employee's income tax return as income tax withheld under  
20 section 77-2755. The amount of credits used against income tax  
21 withholding shall not exceed the withholding attributable to the number  
22 of new employees employed at the qualified location or locations or, for  
23 a qualified employee leasing company, the number of new employees  
24 performing services for the applicable client-lessee at the qualified  
25 location or locations, excluding any wages in excess of one million  
26 dollars paid to any one employee during the year. If the amount of credit  
27 used by the taxpayer or the qualified employee leasing company against  
28 income tax withholding exceeds such amount, the excess withholding shall  
29 be returned to the Department of Revenue in the manner provided in  
30 section 77-2756, such excess amount returned shall be considered unused,  
31 and the amount of unused credits may be used as otherwise permitted in

1 this section or shall carry over to the extent authorized in subdivision  
2 (1)(g) of this section.

3 (c) Credits may be used to obtain a refund of sales and use taxes  
4 under the Local Option Revenue Act, the Nebraska Revenue Act of 1967, the  
5 Qualified Judgment Payment Act, and sections 13-319, 13-324, and 13-2813  
6 that are not subject to direct refund under section 77-6831 and that are  
7 paid on purchases, including rentals, for use at a qualified location.

8 (d) The credits provided in subsections (4) and (5) of section  
9 77-6831 may be used to repay a loan for job training or infrastructure  
10 development as provided in section 77-6841.

11 (e) Credits may be used to obtain a payment from the state equal to  
12 the amount which the taxpayer demonstrates to the director was paid by  
13 the taxpayer after the date of the complete application for job training  
14 and talent recruitment of employees who qualify in the number of new  
15 employees, to the extent that proceeds from a loan described in section  
16 77-6841 were not used to make such payments. For purposes of this  
17 subdivision:

18 (i) Job training means training for a prospective or new employee  
19 that is provided after the date of the complete application by a Nebraska  
20 nonprofit college or university, a Nebraska public or private secondary  
21 school, a Nebraska educational service unit, or a company that is not a  
22 member of the taxpayer's unitary group or a related person to the  
23 taxpayer; and

24 (ii) Talent recruitment means talent recruitment activities that  
25 result in a newly recruited employee who is hired by the taxpayer after  
26 the date of the complete application and who is paid compensation during  
27 the year of hire at a rate equal to at least one hundred percent of the  
28 Nebraska statewide average hourly wage for the year of application,  
29 including marketing, relocation expenses, and search-firm fees. Talent  
30 recruitment payments that may be reimbursed include, without limitation,  
31 payment by the taxpayer, without repayment by the employee, of an

1 employee's student loans, an employee's tuition, and an employee's  
2 downpayment on a primary residence in Nebraska. Talent recruitment  
3 payments that may be reimbursed shall not include payments for the  
4 recruitment of a person who constitutes a related person to the taxpayer  
5 when the taxpayer is an individual or recruitment of a person who  
6 constitutes a related person to an owner of the taxpayer when the  
7 taxpayer is a partnership, a limited liability company, or a subchapter S  
8 corporation.

9 (f) The credits provided in subsections (4) and (5) of section  
10 77-6831 may be used to obtain a payment from the state equal to the  
11 amount which the taxpayer demonstrates to the director was paid for  
12 taxpayer-sponsored child care at the qualified location or locations  
13 during the performance period and the carryover period.

14 (g) Credits may be carried over until fully utilized through the end  
15 of the carryover period.

16 (h) A taxpayer that is also a Nebraska-based covered entity as  
17 defined in 15 U.S.C. 4651 that qualifies under the Creating Helpful  
18 Incentives to Produce Semiconductors (CHIPS) for America Act, Public Law  
19 116-283, may use credits to obtain a payment from the state equal to the  
20 amount which the taxpayer demonstrates to the director was paid by the  
21 taxpayer after the date of the complete application to repay the  
22 principal or interest on revenue bonds issued by an inland port authority  
23 pursuant to section 13-3308.

24 (2)(a) No refund claims shall be filed until after the required  
25 levels of employment and investment have been met.

26 (b) Refund claims shall be filed no more than once each quarter for  
27 refunds under the Imagine Nebraska Act, except that any claim for a  
28 refund in excess of twenty-five thousand dollars may be filed at any  
29 time.

30 (c) Refund claims for materials purchased by a purchasing agent  
31 shall include:

1 (i) A copy of the purchasing agent appointment;

2 (ii) The contract price; and

3 (iii)(A) For refunds under subdivision (2)(a)(iii) or (2)(a)(v) of  
4 section 77-6831, a certification by the contractor or repairperson of the  
5 percentage of the materials incorporated into or annexed to the qualified  
6 location on which sales and use taxes were paid to Nebraska after  
7 appointment as purchasing agent; or

8 (B) For refunds under subdivision (2)(a)(iv) of section 77-6831, a  
9 certification by the contractor or repairperson of the percentage of the  
10 contract price that represents the cost of materials annexed to the  
11 qualified location and the percentage of the materials annexed to the  
12 qualified location on which sales and use taxes were paid to Nebraska  
13 after appointment as purchasing agent.

14 (d) All refund claims shall be filed, processed, and allowed as any  
15 other claim under section 77-2708, except that the amounts allowed to be  
16 refunded under the Imagine Nebraska Act shall be deemed to be  
17 overpayments and shall be refunded notwithstanding any limitation in  
18 subdivision (2)(a) of section 77-2708. The refund may be allowed if the  
19 claim is filed within three years from the end of the year the required  
20 levels of employment and investment are met or within the period set  
21 forth in section 77-2708. Refunds shall be paid by the Tax Commissioner  
22 within one hundred eighty days after receipt of the refund claim. Such  
23 payments shall be subject to later recovery by the Tax Commissioner upon  
24 audit.

25 (e) If a claim for a refund of sales and use taxes under the Local  
26 Option Revenue Act, the Qualified Judgment Payment Act, or sections  
27 13-319, 13-324, and 13-2813 of more than twenty-five thousand dollars is  
28 filed by June 15 of a given year, the refund shall be made on or after  
29 November 15 of the same year. If such a claim is filed on or after June  
30 16 of a given year, the refund shall not be made until on or after  
31 November 15 of the following year. The Tax Commissioner shall notify the

1 affected city, village, county, or municipal county of the amount of  
2 refund claims of sales and use taxes under the Local Option Revenue Act,  
3 the Qualified Judgment Payment Act, or sections 13-319, 13-324, and  
4 13-2813 that are in excess of twenty-five thousand dollars on or before  
5 July 1 of the year before the claims will be paid under this section.

6 (f) For refunds of sales and use taxes under the Local Option  
7 Revenue Act, the deductions made by the Tax Commissioner for such refunds  
8 shall be delayed in accordance with section 77-27,144.

9 (g) Interest shall not be allowed on any taxes refunded under the  
10 Imagine Nebraska Act.

11 (3) The appointment of purchasing agents shall be recognized for the  
12 purpose of changing the status of a contractor or repairperson as the  
13 ultimate consumer of tangible personal property purchased after the date  
14 of the appointment which is physically incorporated into or annexed at a  
15 qualified location and becomes the property of the owner of the  
16 improvement to real estate or the taxpayer. The purchasing agent shall be  
17 jointly liable for the payment of the sales and use tax on the purchases  
18 with the owner of the property.

19 (4) The determination of whether the application is complete,  
20 whether a location is a qualified location, and whether to approve the  
21 application and sign the agreement shall be made by the director. All  
22 other interpretations of the Imagine Nebraska Act shall be made by the  
23 Tax Commissioner. The Commissioner of Labor shall provide the director  
24 with such information as the Department of Labor regularly receives with  
25 respect to the taxpayer which the director requests from the Commissioner  
26 of Labor in order to fulfill the director's duties under the act. The  
27 director shall use such information to achieve efficiency in the  
28 administration of the act.

29 (5) Once the director and the taxpayer have signed the agreement  
30 under section 77-6828, the taxpayer, and its owners or members where  
31 applicable, may report and claim and shall receive all incentives allowed

1 by the Imagine Nebraska Act, subject to the base authority limitations  
2 provided in section 77-6839, without waiting for a determination by the  
3 director or the Tax Commissioner or other taxing authority that the  
4 taxpayer has met the required employment and investment levels or  
5 otherwise qualifies, has qualified, or continues to qualify for such  
6 incentives, provided that the tax return or claim has been signed by an  
7 owner, member, manager, or officer of the taxpayer who declares under  
8 penalties of perjury that he or she has examined the tax return or claim,  
9 including accompanying schedules and statements, and to the best of his  
10 or her knowledge and belief (a) the tax return or claim is correct and  
11 complete in all material respects, (b) payment of the claim has not been  
12 previously made by the state to the taxpayer, and (c) with respect to  
13 sales or use tax refund claims, the taxpayer has not claimed or received  
14 a refund of such tax from a retailer. The payment or allowance of such a  
15 claim shall not prevent the director or the Tax Commissioner or other  
16 taxing authority from recovering such payment, exemption, or allowance,  
17 within the normal period provided by law, subject to normal appeal rights  
18 of a taxpayer, if the director or Tax Commissioner or other taxing  
19 authority determines upon review or audit that the taxpayer did not  
20 qualify for such incentive or exemption.

21 (6) An audit of employment and investment thresholds and incentive  
22 amounts shall be made by the Tax Commissioner to the extent and in the  
23 manner determined by the Tax Commissioner. Upon request by the director  
24 or the Tax Commissioner, the Commissioner of Labor shall report to the  
25 director and the Tax Commissioner the employment data regularly reported  
26 to the Department of Labor relating to number of employees and wages paid  
27 for each taxpayer. The director and Tax Commissioner, to the extent they  
28 determine appropriate, shall use such information to achieve efficiency  
29 in the administration of the Imagine Nebraska Act. The Tax Commissioner  
30 may recover any refund or part thereof which is erroneously made and any  
31 credit or part thereof which is erroneously allowed by issuing a

1 deficiency determination within three years from the date of refund or  
2 credit or within the period otherwise allowed for issuing a deficiency  
3 determination, whichever expires later. The director shall not enter into  
4 an agreement with any taxpayer unless the taxpayer agrees to  
5 electronically verify the work eligibility status of all newly hired  
6 employees employed in Nebraska within ninety days after the date of hire.  
7 For purposes of calculating any tax incentive under the act, the hours  
8 worked and compensation paid to an employee who has not been  
9 electronically verified or who is not eligible to work in Nebraska shall  
10 be excluded.

11 (7) A determination by the director that a location is not a  
12 qualified location or a determination by the Tax Commissioner that a  
13 taxpayer has failed to meet or maintain the required levels of employment  
14 or investment for incentives, exemptions, or recapture, or does not  
15 otherwise qualify for incentives or exemptions, may be protested by the  
16 taxpayer to the Tax Commissioner within sixty days after the mailing to  
17 the taxpayer of the written notice of the proposed determination by the  
18 director or the Tax Commissioner, as applicable. If the notice of  
19 proposed determination is not protested in writing by the taxpayer within  
20 the sixty-day period, the proposed determination is a final  
21 determination. If the notice is protested, the Tax Commissioner, after a  
22 formal hearing by the Tax Commissioner or by an independent hearing  
23 officer appointed by the Tax Commissioner, if requested by the taxpayer  
24 in such protest, shall issue a written order resolving such protest. The  
25 written order of the Tax Commissioner resolving a protest may be appealed  
26 to the district court of Lancaster County in accordance with the  
27 Administrative Procedure Act within thirty days after the issuance of the  
28 order.

29 Sec. 82. Section 77-6841, Revised Statutes Cumulative Supplement,  
30 2022, is amended to read:

31 77-6841 (1) The Legislature finds that providing job training is



1 critical to the public purpose of attracting and retaining businesses and  
2 that the growth of high-paying jobs in Nebraska is limited by an unmet  
3 need for workforce training and infrastructure development. The  
4 Legislature further finds that many communities in Nebraska lack the  
5 infrastructure, including broadband access, necessary to provide high-  
6 paying jobs for residents. The Legislature further finds that workforce  
7 training and infrastructure development help businesses and improve the  
8 quality of life for workers and communities in Nebraska. Because there is  
9 a statewide benefit from workforce training and infrastructure  
10 development, the Legislature intends to provide a revolving loan program  
11 as a rational means to address these needs.

12 (2) The Department of Economic Development shall establish and  
13 administer a revolving loan program for workforce training and  
14 infrastructure development expenses to be incurred by applicants for  
15 incentives under the ImagiNE Nebraska Act.

16 (3) The ImagiNE Nebraska Revolving Loan Fund is hereby created. The  
17 fund shall receive money from transfers authorized by appropriations ~~from~~  
18 the Legislature, grants, private contributions, repayment of loans, and  
19 all other sources. Any money in the fund available for investment shall  
20 be invested by the state investment officer pursuant to the Nebraska  
21 Capital Expansion Act and the Nebraska State Funds Investment Act. It is  
22 the intent of the Legislature to transfer five million dollars from the  
23 General Fund to the ImagiNE Nebraska Revolving Loan Fund for fiscal years  
24 2022-23 and 2023-24 for purposes of carrying out the workforce training  
25 and infrastructure development revolving loan program pursuant to the  
26 ImagiNE Nebraska Act. It is the intent of the Legislature to appropriate  
27 five million dollars for fiscal years 2022-23 and 2023-24 for purposes of  
28 carrying out the workforce training and infrastructure development  
29 revolving loan program pursuant to the ImagiNE Nebraska Act.

30 (4)(a) ~~(4)~~ The Department of Economic Development, as part of its  
31 comprehensive business development strategy, shall administer the ImagiNE

1 Nebraska Revolving Loan Fund and may loan funds to applicants under the  
2 Imagine Nebraska Act to secure new, high-paying jobs in Nebraska based on  
3 the criteria established in sections 77-6842 and 77-6843. Loans made to  
4 applicants under the Imagine Nebraska Act and interest on such loans may  
5 be repaid using credits earned under the Imagine Nebraska Act. If that  
6 occurs, the Department of Revenue shall certify the credit usage to the  
7 State Treasurer, who shall, within thirty days, transfer the amount of  
8 the credit used from the General Fund to the Imagine Nebraska Revolving  
9 Loan Fund.

10 (b) ~~(5)~~ If a taxpayer with an agreement under the Imagine Nebraska  
11 Act obtains a loan under this subsection ~~section~~ and fails to attain the  
12 required minimum number of new employees, minimum compensation, and  
13 minimum required cumulative investment necessary for that taxpayer to  
14 earn a credit, the principal and interest of the loan shall be considered  
15 an underpayment of tax and may be recovered by the Department of Revenue.

16 (c) ~~(6)~~ Whether repaid using credits or repaid directly by the  
17 recipient of the loan, loans made from the Imagine Nebraska Revolving  
18 Loan Fund shall be repaid with interest at the rate established in  
19 section 45-102.

20 (5)(a) The Department of Economic Development shall award funds to  
21 match any federal grant, loan, loan guarantee, or other financial  
22 incentive for a project for which a Nebraska-based covered entity as  
23 defined in 15 U.S.C. 4651 qualifies under the Creating Helpful Incentives  
24 to Produce Semiconductors (CHIPS) for America Act, Public Law 116-283.  
25 The amount of the award, when combined with all other eligible state  
26 funds and incentives, shall not exceed twenty-five percent of the total  
27 cost of the project. The department may waive any interest payments for  
28 qualifying projects.

29 (b) The Department of Economic Development shall approve any  
30 Nebraska-based covered entity that meets the eligibility requirements  
31 under the Creating Helpful Incentives to Produce Semiconductors (CHIPS)

1 for America Act, Public Law 116-283, if the eligible project has a total  
2 project cost in excess of fifty million dollars. The department shall  
3 award funds under this subsection upon receipt by an application of an  
4 award of federal or other funds. Fund sources include federal, local,  
5 private, and charitable contributions.

6 (c) An applicant shall apply to the Department of Economic  
7 Development for an award under this subsection. The applicant shall  
8 certify the investment made by the United States Government.

9 (d) Of the total funds awarded under this subsection and consistent  
10 with section 9902(a)(2)(B) of the Creating Helpful Incentives to Produce  
11 Semiconductors (CHIPS) for America Act, Public Law 116-283, five-tenths  
12 of one percent of the amount awarded under this subsection shall be  
13 awarded to an educational institution for the purpose of assisting a  
14 Nebraska-based covered entity with the obligations under the federal law  
15 for domestic semiconductor workforce development.

16 (e) An applicant may use award funds received under this subsection  
17 for:

18 (i) Public and private sector initiatives that will improve  
19 Nebraska's ability to attract microelectronic enterprises, especially  
20 those incentivized under the Creating Helpful Incentives to Produce  
21 Semiconductors (CHIPS) for America Act, Public Law 116-283, by making  
22 necessary investments to the semiconductor industry, including, but not  
23 limited to, grants for the establishment of private sector entities for  
24 such purposes within eligible economically disadvantaged areas in  
25 Nebraska, as set forth in section 9902(a)(2)(B) of the Creating Helpful  
26 Incentives to Produce Semiconductors (CHIPS) for America Act, Public Law  
27 116-283; and

28 (ii) A community college located in a city of the metropolitan class  
29 working in collaboration with private sector partners and any interested  
30 university, college, other community college, and technical school  
31 located in this state to support education expansion and curricula

1 development in order to meet the needs of the domestic semiconductor  
2 workforce in Nebraska set forth in section 9902(a)(2)(B) of the Creating  
3 Helpful Incentives to Produce Semiconductors (CHIPS) for America Act,  
4 Public Law 116-283.

5       Sec. 83. Section 4A-108, Uniform Commercial Code, Revised Statutes  
6 Cumulative Supplement, 2022, is amended to read:

7       4A-108 Relationship to federal Electronic Fund Transfer Act.

8       (a) Except as provided in subsection (b), this article does not  
9 apply to a funds transfer any part of which is governed by the federal  
10 Electronic Fund Transfer Act, 15 U.S.C. 1693 et seq., as such act existed  
11 on January 1, 2023 ~~2022~~.

12       (b) This article applies to a funds transfer that is a remittance  
13 transfer as defined in the federal Electronic Fund Transfer Act, 15  
14 U.S.C. 1693o-1, as such section existed on January 1, 2023 ~~2022~~, unless  
15 the remittance transfer is an electronic fund transfer as defined in the  
16 federal Electronic Fund Transfer Act, 15 U.S.C. 1693a, as such section  
17 existed on January 1, 2023 ~~2022~~.

18       (c) In a funds transfer to which this article applies, in the event  
19 of an inconsistency between an applicable provision of this article and  
20 an applicable provision of the federal Electronic Fund Transfer Act, the  
21 provision of the federal Electronic Fund Transfer Act governs to the  
22 extent of the inconsistency.

23       Sec. 84. (1) Except as provided in subsection (3) of this section,  
24 beginning January 1, 2024, and notwithstanding section 44-3,131, (a) any  
25 individual or group sickness and accident insurance policy or subscriber  
26 contract delivered, issued for delivery, or renewed in this state and any  
27 hospital, medical, or surgical expense-incurred policy, except for  
28 policies that provide coverage for a specified disease or other limited-  
29 benefit coverage, and (b) any self-funded employee benefit plan to the  
30 extent not preempted by federal law, which provides reimbursement for  
31 prescription insulin drugs shall limit the total amount that a covered

1 individual is required to pay for each covered prescription insulin drug  
2 on the policy's, contract's, or plan's lowest brand or generic tier to a  
3 maximum of thirty-five dollars per thirty-day supply of insulin,  
4 regardless of the amount needed.

5 (2) Nothing in this section prevents a policy, contract, or plan  
6 from reducing the total amount that a covered individual is required to  
7 pay for each covered prescription insulin drug to an amount less than the  
8 maximum specified in subsection (1) of this section.

9 (3) If, due to a national shortage of an insulin drug, a covered  
10 individual cannot access a covered prescription insulin drug on the  
11 lowest brand or generic tier of the policy, contract, or plan, the  
12 policy, contract, or plan shall ensure access to an insulin drug at a  
13 maximum of thirty-five dollars per thirty-day supply, until such time  
14 that the national shortage ends to prevent disruptions in patient access  
15 to insulin.

16 (4) For purposes of this section, prescription insulin drug means a  
17 prescription drug that contains insulin and is used to treat diabetes.

18 Sec. 85. (1) For purposes of this section:

19 (a) Health benefit plan means a policy, a contract, a certificate,  
20 or an agreement entered into, offered by, or issued by an insurer to  
21 provide, deliver, arrange for, pay for, or reimburse any of the costs of  
22 health care services, including a vision or dental benefit plan. Health  
23 benefit plan shall not include any coverage pursuant to a liability  
24 insurance policy, including medical payments insurance issued as a  
25 supplement to a liability insurance policy, or a workers' compensation  
26 insurance policy; and

27 (b) Plan sponsor means:

28 (i) In the case of a health benefit plan established or maintained  
29 by a single employer, the employer;

30 (ii) In the case of a health benefit plan established or maintained  
31 by an employee organization, the employee organization; or

1       (iii) In the case of a health benefit plan established or maintained  
2 by two or more employers or jointly by one or more employers and one or  
3 more employee organizations, the association, committee, joint board of  
4 trustees, or other similar group of representatives of the parties who  
5 establish or maintain the benefit plan.

6       (2) The plan sponsor of a health benefit plan may, on behalf of  
7 covered persons in the plan, provide the consent to the delivery of all  
8 communications related to the plan by electronic means and to the  
9 electronic delivery of any health insurance identification card if,  
10 before consenting on behalf of a covered person, a plan sponsor:

11       (a) Confirms that the covered person routinely uses electronic  
12 communications during the normal course of employment;

13       (b) Provides the covered person an opportunity to opt out of  
14 delivery by electronic means; and

15       (c) Follows all federal and state laws relating to the electronic  
16 delivery of such information or documents.

17       Sec. 86. Sections 86 to 95 of this act shall be known and may be  
18 cited as the Insurance Regulatory Sandbox Act.

19       Sec. 87. The purpose of the Insurance Regulatory Sandbox Act is to  
20 create a regulatory sandbox program under the Department of Insurance  
21 which allows a participant to temporarily test innovative insurance  
22 products or services on a limited basis without otherwise being licensed  
23 or authorized to act under the laws of the state.

24       Sec. 88. For purposes of the Insurance Regulatory Sandbox Act:

25       (1) Applicable agency means a department or agency of the state  
26 that, by law, regulates certain types of insurance-related business  
27 activity in the state and persons engaged in such insurance-related  
28 business activity. This includes the issuance of licenses or any other  
29 types of authorization which the department determines would otherwise  
30 regulate a sandbox participant;

31       (2) Applicant means an individual or entity that is applying to

1 participate in the regulatory sandbox;

2 (3) Consumer means a person that purchases or otherwise enters into  
3 a transaction agreement to receive an innovative insurance product or  
4 service that is being tested by a sandbox participant;

5 (4) Department means the Department of Insurance;

6 (5) Innovation means the use or incorporation of a new or emerging  
7 technology or a new use of existing technology, including blockchain  
8 technology, to address a problem, provide a benefit, or otherwise offer a  
9 product, service, business model, or delivery mechanism that is not known  
10 by the department to have a comparable widespread offering in the state;

11 (6) Innovative insurance product or service means an insurance  
12 product or service that includes an innovation;

13 (7) Insurance product or service means an insurance-related product  
14 or service that requires state licensure, registration, or other  
15 authorization as regulated by state law, including any insurance-specific  
16 business model, delivery mechanism, or element that requires a license,  
17 registration, or other authorization;

18 (8) Regulatory sandbox means the program created in section 89 of  
19 this act which allows a person to temporarily test an innovative  
20 insurance product or service on a limited basis without otherwise being  
21 licensed or authorized to act under the laws of the state;

22 (9) Sandbox participant means a person whose application to  
23 participate in the regulatory sandbox is approved in accordance with the  
24 Insurance Regulatory Sandbox Act; and

25 (10) Test means to provide an innovative insurance product or  
26 service in accordance with the Insurance Regulatory Sandbox Act.

27 Sec. 89. (1) The department shall create and administer a  
28 regulatory sandbox program that enables a person to obtain limited access  
29 to the market in the state to test an innovative insurance product or  
30 service without obtaining a license or without regard to other provisions  
31 of Chapter 44 or rules and regulations adopted and promulgated by the

1 department which may be applicable, as determined by the department.

2 (2) In administering the regulatory sandbox, the department:

3 (a) Shall consult with each applicable agency;

4 (b) May enter into agreements with or follow the best practices of  
5 the Consumer Financial Protection Bureau or other states that are  
6 administering similar programs; and

7 (c) May not approve participation in the regulatory sandbox by an  
8 applicant or any other participant who has been convicted of, or pled  
9 guilty or nolo contendere to, a serious crime:

10 (i) Involving theft, fraud, or dishonesty; or

11 (ii) That bears a substantial relationship to the applicant's or  
12 participant's ability to safely or competently participate in the  
13 regulatory sandbox.

14 (3) An applicant for the regulatory sandbox shall submit an  
15 application to the department in a form and manner prescribed by the  
16 department. The application shall:

17 (a) Include a nonrefundable application fee of two hundred fifty  
18 dollars;

19 (b) Demonstrate the applicant is subject to the jurisdiction of the  
20 state;

21 (c) Demonstrate the applicant has established a physical or virtual  
22 location that is adequately accessible to the department from which  
23 testing will be developed and performed and where all required records,  
24 documents, and data will be maintained;

25 (d) Contain relevant personal and contact information for the  
26 application, including legal names, addresses, telephone numbers, email  
27 addresses, website addresses, and other information required by the  
28 department;

29 (e) Disclose any criminal conviction of the applicant or officers,  
30 directors, or other participating personnel, if any;

31 (f) Demonstrate that the applicant has the necessary personnel,



1 financial and technical expertise, access to capital, and developed plans  
2 to test, monitor, and assess the innovative insurance product or service;

3 (g) Contain a description of the innovative insurance product or  
4 service to be tested, including statements regarding the following:

5 (i) How the innovative insurance product or service is subject to  
6 licensing or other authorization requirements outside of the regulatory  
7 sandbox, including a specific list of all state laws, regulations, and  
8 licensing or other requirements that the applicant is seeking to have  
9 waived during the testing period;

10 (ii) How the innovative insurance product or service would benefit  
11 consumers;

12 (iii) How the innovative insurance product or service is different  
13 from other insurance products or services available in the state;

14 (iv) What risks may confront consumers that use or purchase the  
15 innovative insurance product or service;

16 (v) How participating in the regulatory sandbox would enable a  
17 successful test of the innovative insurance product or service;

18 (vi) A description of how the applicant will perform ongoing duties  
19 after the test; and

20 (vii) How the applicant will end the test and protect consumers if  
21 the test fails, including providing evidence of sufficient liability  
22 coverage and financial reserves to protect consumers and to protect  
23 against insolvency by the applicant; and

24 (h) Provide any other required information as determined by the  
25 department.

26 (4) An applicant shall file a separate application for each  
27 innovative insurance product or service the applicant wants to test.

28 (5) The following items shall not be waived as part of any  
29 applicant's participation in the regulatory sandbox:

30 (a) Laws and regulations not under the jurisdiction of the Director  
31 of Insurance;

1       (b) Any law or regulation required for the department to maintain  
2 accreditation by the National Association of Insurance Commissioners;

3       (c) Laws regarding minimum paid-in capital or surplus required to be  
4 possessed or maintained by an insurer or product reserving laws;

5       (d) The Unfair Insurance Trade Practices Act and the Unfair  
6 Insurance Claims Settlement Practices Act;

7       (e) Any requirement for insurance producers to be licensed; and

8       (f) The application of any taxes or fees.

9       (6) After an application is filed and before approving the  
10 application, the department may seek any additional information from the  
11 applicant that the department determines is necessary.

12       (7) Subject to subsection (8) of this section, not later than ninety  
13 days after the day on which a complete application is received by the  
14 department, the department shall inform the applicant as to whether the  
15 application is approved for entry into the regulatory sandbox.

16       (8) The department and an applicant may mutually agree to extend the  
17 ninety-day timeline described in subsection (7) of this section.

18       (9) In reviewing an application under this section, the department  
19 shall consult with, and get approval from, each applicable agency before  
20 admitting an applicant into the regulatory sandbox. The consultation with  
21 an applicable agency may include seeking information about:

22       (a) Whether the applicable agency has previously issued a license or  
23 other authorization to the applicant;

24       (b) Whether the applicable agency has previously investigated,  
25 sanctioned, or pursued legal action against the applicant;

26       (c) Whether the applicant could obtain a license or other  
27 authorization from the applicable agency after exiting the regulatory  
28 sandbox; and

29       (d) Whether certain licensure or other regulations should not be  
30 waived even if the applicant is accepted into the regulatory sandbox.

31       (10) In reviewing an application under this section, the department

1 shall also consider whether a competitor to the applicant is or has been  
2 a sandbox participant and weigh that as a factor in determining whether  
3 to allow the applicant to also become a sandbox participant.

4 (11) If the department and each applicable agency approve admitting  
5 an applicant into the regulatory sandbox, an applicant may become a  
6 sandbox participant. Applicants that become sandbox participants shall  
7 incur a participation fee set by the department. The participation fee  
8 shall be commensurate with the costs incurred by the department in  
9 administering the applicant's participation in the regulatory sandbox.  
10 Participation fees shall be dependent on factors such as the size of the  
11 applicant and the number of customers the applicant may have, but shall  
12 be set at a reasonable amount to encourage participation in the  
13 regulatory sandbox.

14 (12) The department may enter into agreements with other states that  
15 have enacted laws that are substantially similar to the Insurance  
16 Regulatory Sandbox Act in order to advance the purposes of the act and to  
17 facilitate the consideration of applications for participation in the  
18 regulatory sandbox from persons that have satisfied the requirements of  
19 this section and received approval for participation in similar programs  
20 in other states.

21 (13) The department may deny any application submitted under this  
22 section, for any reason, at the department's discretion.

23 (14) If the department denies an application submitted under this  
24 section, the department shall provide to the applicant a written  
25 description of the reasons for the denial.

26 (15) Documents, materials, and other information in the possession  
27 or control of the Director of Insurance that are obtained by, created by,  
28 or disclosed to the director or any other person under the Insurance  
29 Regulatory Sandbox Act are recognized by this state as being proprietary  
30 and to contain trade secrets. All such documents, materials, and other  
31 information shall be confidential by law and privileged, shall not be a

1 public record subject to disclosure by the director pursuant to sections  
2 84-712 to 84-712.09, shall not be subject to subpoena, and shall not be  
3 subject to discovery or admissible in evidence in any private civil  
4 action. The director may use the documents, materials, and other  
5 information in the furtherance of any regulatory or legal action brought  
6 as a part of the director's official duties. The director shall not  
7 otherwise make the documents, materials, and other information public  
8 without the prior written consent of the applicant. In order to assist in  
9 the performance of the director's regulatory duties, the director:

10 (a) May, upon request, share documents, materials, and other  
11 information that are obtained by, created by, or disclosed to the  
12 director or any other person under the Insurance Regulatory Sandbox Act,  
13 including the confidential and privileged documents, materials, and other  
14 information subject to this subsection, with other state, federal, and  
15 international financial regulatory agencies, including members of any  
16 supervisory college under section 44-2137.01, with the National  
17 Association of Insurance Commissioners, and with any third-party  
18 consultants designated by the director, if the recipient agrees in  
19 writing to maintain the confidentiality and privileged status of the  
20 documents, materials, and other information and has verified in writing  
21 the legal authority to maintain confidentiality; and

22 (b) May receive documents, materials, and other information,  
23 including otherwise confidential and privileged documents, materials, and  
24 other information, from regulatory officials of other foreign or domestic  
25 jurisdictions that have enacted laws substantially similar to the  
26 Insurance Regulatory Sandbox Act, including members of any supervisory  
27 college under section 44-2137.01 and from the National Association of  
28 Insurance Commissioners, and shall maintain as confidential or privileged  
29 any documents, materials, or other information received with notice or  
30 the understanding that it is confidential or privileged under the laws of  
31 the jurisdiction that is the source of the document, material, or other

1 information.

2 (16) The department shall not accept any applications for the  
3 regulatory sandbox after June 30, 2034.

4 Sec. 90. (1) If the department approves an application under  
5 section 89 of this act, the sandbox participant has twelve months after  
6 the day on which the application was approved to test the innovative  
7 insurance product or service described in the sandbox participant's  
8 application.

9 (2) A sandbox participant testing an innovative insurance product or  
10 service within the regulatory sandbox is subject to the following:

11 (a) Consumers shall be residents of this state;

12 (b) The department may, on a case-by-case basis, specify the maximum  
13 number of consumers that may enter into an agreement with the sandbox  
14 participant to use the innovative insurance product or service; and

15 (c) The department may, on a case-by-case basis, specify the maximum  
16 number of innovative insurance products or services that may be offered  
17 by a sandbox participant during the test of such product or service.

18 (3) If a sandbox participant is accepted into the regulatory  
19 sandbox, the department shall notify other businesses in the industry  
20 that a regulatory waiver was granted in order to afford other businesses  
21 the opportunity to apply for the same regulatory waiver if they so  
22 choose.

23 (4) This section does not restrict a sandbox participant who holds a  
24 license or other authorization in another jurisdiction from acting in  
25 accordance with that license or other authorization.

26 (5) A sandbox participant is deemed to possess an appropriate  
27 license under the laws of the state for the purposes of any provision of  
28 federal law requiring state licensure or authorization.

29 (6) A sandbox participant that is testing an innovative insurance  
30 product or service is not subject to state laws, regulations, licensing  
31 requirements, or authorization requirements that were identified by the

1 sandbox participant's application and have been waived in writing by the  
2 department.

3 (7) Notwithstanding any other provision of the Insurance Regulatory  
4 Sandbox Act, a sandbox participant does not have immunity related to any  
5 criminal offense committed during the sandbox participant's participation  
6 in the regulatory sandbox.

7 (8) By written notice, the department may end a sandbox  
8 participant's participation in the regulatory sandbox at any time and for  
9 any reason, including if the department determines a sandbox participant  
10 is not operating in good faith to bring an innovative insurance product  
11 or service to market.

12 (9) The department and the department's employees are not liable for  
13 any business losses or the recouping of application expenses related to  
14 the regulatory sandbox, including for:

15 (a) Denying an applicant's application to participate in the  
16 regulatory sandbox for any reason; or

17 (b) Ending a sandbox participant's participation in the regulatory  
18 sandbox at any time and for any reason.

19 (10) No guaranty association in the state may be held liable for  
20 business losses or liabilities incurred as a result of activities  
21 undertaken by a sandbox participant while participating in the regulatory  
22 sandbox.

23 Sec. 91. (1) Prior to the sale of an innovative insurance product  
24 or service to a consumer, the sandbox participant shall disclose the  
25 following to the consumer in a clear and conspicuous format in English  
26 and Spanish:

27 (a) The name and contact information of the sandbox participant;

28 (b) That the innovative insurance product or service is authorized  
29 pursuant to the Insurance Regulatory Sandbox Act for a temporary period  
30 of one year with a possible extension of one additional year, but for no  
31 more than two years;

1       (c) Any risk to the consumer associated with the purchase of the  
2 innovative insurance product or service;

3       (d) That neither the State of Nebraska nor the Department of  
4 Insurance recommends the innovative insurance product or service and that  
5 neither the state nor the department is subject to any liability for  
6 losses or damages caused by such product or service;

7       (e) That the consumer may contact the Department of Insurance to  
8 file a complaint regarding the innovative insurance product or service.  
9 Contact information for the Department of Insurance shall also be  
10 provided;

11       (f) That state insurance insolvency guaranty funds are not available  
12 for the innovative insurance product or service; and

13       (g) Any other statements or additional disclosures that may be  
14 required by the Department of Insurance.

15       (2) The disclosures required by subsection (1) of this section shall  
16 be provided to consumers through a written disclosure statement. Sandbox  
17 participants shall keep a signed copy of the disclosure statement on file  
18 and be able to produce the statement for the department upon request.

19       (3) Sandbox participants shall also note on any websites, social  
20 media postings, advertisements, and promotional materials of any kind all  
21 potential risks for consumers associated with the purchase of the  
22 innovative insurance product or service.

23       Sec. 92. (1) At least thirty days before the end of the twelve-  
24 month regulatory sandbox testing period, a sandbox participant shall:

25       (a) Notify the department that the sandbox participant will exit the  
26 regulatory sandbox, discontinue the sandbox participant's test, and stop  
27 offering any innovative insurance product or service in the regulatory  
28 sandbox within sixty days after the day on which the twelve-month testing  
29 period ends; or

30       (b) Seek an extension in accordance with section 93 of this act.

31       (2) Subject to subsection (3) of this section, if the department

1 does not receive notification as required by subsection (1) of this  
2 section, the regulatory sandbox testing period ends at the end of the  
3 twelve-month testing period and the sandbox participant shall immediately  
4 stop offering each innovative insurance product or service being tested.

5 (3) If a test includes offering an innovative insurance product or  
6 service that requires ongoing duties, the sandbox participant shall  
7 continue to fulfill those duties or arrange for another person to fulfill  
8 those duties after the date on which the sandbox participant exits the  
9 regulatory sandbox.

10 Sec. 93. (1) Not later than thirty days before the end of the  
11 twelve-month regulatory sandbox testing period, a sandbox participant may  
12 request an extension of the regulatory sandbox testing period for the  
13 purpose of obtaining a license or other authorization.

14 (2) The department shall grant or deny a request for an extension by  
15 the end of the twelve-month regulatory sandbox testing period.

16 (3) The department may grant one extension in accordance with this  
17 section for not more than twelve months after the end of the regulatory  
18 sandbox testing period.

19 (4) A sandbox participant that obtains an extension in accordance  
20 with this section shall provide the department with a written report  
21 every three months that provides an update on efforts to obtain a license  
22 or other authorization required by law, including any applications  
23 submitted for licensure or other authorization, rejected applications, or  
24 issued licenses or other authorizations.

25 Sec. 94. (1) A sandbox participant shall retain records, documents,  
26 and data produced in the ordinary course of business regarding an  
27 innovative insurance product or service tested in the regulatory sandbox.

28 (2) If an innovative insurance product or service fails before the  
29 end of a testing period, the sandbox participant shall notify the  
30 department and report on actions taken by the sandbox participant to  
31 ensure consumers have not been harmed as a result of the failure.



1       (3) The department shall establish quarterly reporting requirements  
2 for a sandbox participant, including information about any customer  
3 complaints.

4       (4) The department may request records, documents, and data from a  
5 sandbox participant and, upon the department's request, a sandbox  
6 participant shall make such records, documents, and data available for  
7 inspection by the department.

8       (5) If the department determines that a sandbox participant has  
9 engaged in, is engaging in, or is about to engage in any practice or  
10 transaction that is in violation of Chapter 44, the department may remove  
11 a sandbox participant from the regulatory sandbox. If the department  
12 determines that the practice or transaction is in violation of state or  
13 federal criminal law, the department shall remove the sandbox participant  
14 from the regulatory sandbox.

15       (6) The department shall provide a written report upon request by a  
16 member of the Legislature that provides information regarding each  
17 sandbox participant and that provides recommendations regarding the  
18 effectiveness of the Insurance Regulatory Sandbox Act.

19       Sec. 95.   The department may adopt and promulgate rules and  
20 regulations to carry out the Insurance Regulatory Sandbox Act.

21       Sec. 96.   The Revisor of Statutes shall assign section 75 of this  
22 act to Chapter 81, article 12.

23       Sec. 97.   Sections 54 and 100 of this act become operative on  
24 January 1, 2024. Sections 64 and 101 of this act become operative on  
25 April 30, 2024. Sections 57, 58, 59, 60, 61, 62, and 102 of this act  
26 become operative on January 1, 2025. Sections 42, 43, 44, 45, 46, 47, 48,  
27 49, 51, 52, 53, 55, 56, 63, 65, 66, 73, 74, 75, 84, 85, 86, 87, 88, 89,  
28 90, 91, 92, 93, 94, 95, and 99 of this act become operative three  
29 calendar months after the adjournment of this legislative session. The  
30 other sections of this act become operative on their effective date.

31       Sec. 98.   Original sections 8-101.03, 8-102, 8-115, 8-135, 8-141,

1 8-143.01, 8-157.01, 8-183.04, 8-1,140, 8-318, 8-355, 8-602, 8-1101,  
2 8-1101.01, 8-1704, 8-1707, 8-2724, 8-2903, 8-3002, 8-3003, 8-3004,  
3 8-3005, 8-3007, 8-3008, 8-3011, 8-3012, 8-3013, 8-3014, 8-3015, 8-3016,  
4 8-3017, 8-3018, 8-3019, 8-3020, 8-3021, 8-3022, 8-3023, 8-3025, 8-3026,  
5 8-3028, 8-3030, 21-17,115, 45-191.01, 45-191.04, 45-735, 45-1002,  
6 45-1003, 45-1006, and 76-1007, Reissue Revised Statutes of Nebraska,  
7 sections 59-1722, 69-2103, 69-2104, 69-2112, 77-6832, and 77-6841,  
8 Revised Statutes Cumulative Supplement, 2022, and section 4A-108, Uniform  
9 Commercial Code, Revised Statutes Cumulative Supplement, 2022, are  
10 repealed.

11 Sec. 99. Original sections 10-110, 10-402, 10-403, 10-405, 10-507,  
12 10-711, 10-804, 13-509, 44-319.02, 44-319.03, 44-319.06, 44-1993,  
13 44-3308, 44-5140, and 58-201, Reissue Revised Statutes of Nebraska, and  
14 sections 44-7,102 and 44-5141, Revised Statutes Cumulative Supplement,  
15 2022, are repealed.

16 Sec. 100. Original section 44-785, Reissue Revised Statutes of  
17 Nebraska, is repealed.

18 Sec. 101. Original section 44-4054, Reissue Revised Statutes of  
19 Nebraska, is repealed.

20 Sec. 102. Original sections 44-2824, 44-2825, 44-2827, 44-2831.01,  
21 44-2832, and 44-2833, Reissue Revised Statutes of Nebraska, are repealed.

22 Sec. 103. Since an emergency exists, this act takes effect when  
23 passed and approved according to law.