

ONE HUNDRED FOURTH LEGISLATURE - FIRST SESSION - 2015
COMMITTEE STATEMENT
LB145

Hearing Date: Tuesday January 20, 2015
Committee On: Banking, Commerce and Insurance
Introducer: Watermeier
One Liner: Change provisions governing active executive officers of banks and provide the Department of Banking and Finance with certain powers

Roll Call Vote - Final Committee Action:
Indefinitely postponed

Vote Results:

Aye: 8 Senators Campbell, Craighead, Gloor, Howard, Lindstrom, Scheer, Schumacher, Williams

Nay:

Absent:

Present Not Voting:

Verbal Testimony:

Proponents:

Senator Dan Watermeier
Daryl Wilton
Robert Hallstrom

Representing:

Introducer
Cornerstone Bank
NE Bankers Association

Opponents:

Mark Quandahl
John Munn
Patricia Herstein

Representing:

NE Dept of Banking and Finance
Self
NE Dept of Banking and Finance

Neutral:

Representing:

Summary of purpose and/or changes:

This bill would amend sections 8-139 and 8-157 of the Nebraska Banking Act to alter the regulatory duties of the Director of Banking and Finance with regard to active executive officers of state-chartered banks.

The bill would eliminate the requirement for an active executive officer to obtain a license from the Department of Banking and Finance in order to so act. The bill would authorize the department to suspend the authority of an active executive officer found to be conducting business in an unsafe or unauthorized manner or endangering the interests of the stockholders or depositors. The bill would further authorize the director, as part of a suspension order, to levy a civil penalty against the executive officer personally in an amount not to exceed ten thousand dollars.

An active executive officer of a state-chartered bank would be defined by the bill as an employee or person under contract who exercises management functions, major policymaking functions, or substantial employee supervision.

Jim Scheer, Chairperson