ONE HUNDRED FOURTH LEGISLATURE - FIRST SESSION - 2015 COMMITTEE STATEMENT LB195

Hearing Date: Thursday March 05, 2015

Committee On: Judiciary **Introducer:** Seiler

One Liner: Change provisions relating to summons and orders of garnishment on financial institutions

Roll Call Vote - Final Committee Action:

Advanced to General File with amendment(s)

Vote Results:

Aye: 8 Senators Chambers, Coash, Ebke, Krist, Morfeld, Pansing Brooks,

Seiler, Williams

Nay:

Absent:

Present Not Voting:

Verbal Testimony:

Proponents: Representing: SEN. LES SEILER INTRODUCER

ROBERT HALLSTROM NE BANKERS ASSOCIATION

KATIE ZULKOSKI NE STATE BAR

Opponents: Representing:

Neutral: Representing:

EDWARD HOFFMAN NEBRASKA COLLECTOR'S ASSOCIATION

Summary of purpose and/or changes:

LB195 would require the designation of an office for the service of the summons and order of garnishment for every financial institution with its main-chartered office located in this state and more than one office or branch that receives deposits. The financial institutions would be required to send notice to the Department of Banking and Finance. The department would then post the list of designated offices on its website for access by the general public.

LB195 includes a procedure for the modification or revocation of the notice and the effective date of any such action. The bill would also allow a financial institution to respond to the service of a summons and order of garnishment at the wrong office by processing it or by providing the appropriate address for service

Explanation of amendments:

Section 1 of AM499 would remove the requirement that the property be within the county where the action brought.

The amendment would also expand the bill to apply to all financial institutions that receive deposits in this state, regardless of the location of their main-chartered office. Financial institutions with a main-chartered office located in another state would be required to designate an office, branch or agent for service of process to receive service of a summons.

Les Seiler, Chairperson