

LEGISLATIVE BILL 390

Approved by the Governor May 15, 1979

Introduced by Duis, 39

AN ACT to amend sections 45-101.03 and 45-101.04, Revised Statutes Supplement, 1978, relating to loans; to change provisions relating to interest rates as prescribed; to correct a reference; and to repeal the original sections.

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

Section 1. That section 45-101.03, Revised Statutes Supplement, 1978, be amended to read as follows:

45-101.03. Except as provided in section 45-101.04, any rate of interest which may be agreed upon, not exceeding ~~eleven~~ twelve and one-half per cent per annum on the unpaid principal balance, shall be valid upon any loan or forbearance of money, goods, or things in action and may be taken yearly, for any shorter period, or in advance, if so expressly agreed.

Sec. 2. That section 45-101.04, Revised Statutes Supplement, 1978, be amended to read as follows:

45-101.04. The limitation on the rate of interest provided in section 45-101.03 shall not apply to:

(1) Loans made by any licensee or permittee operating under a license or permit duly issued by the Department of Banking and Finance pursuant to subsection (4) of section 3-319, sections ~~3-319~~, 3-401 to 3-417, 3-315 to 3-323, 3-825 to 3-829, 21-1760 to 21-1764, 21-1766 to 21-1796, 21-1799 to 21-17,108, 21-17,110 to 21-17,119, 45-114, 45-116 to 45-140, or 45-142 to 45-155;

(2) Loans made to any corporation, partnership, or trust;

(3) The guarantor or surety of any loan to a corporation, partnership, or trust;

(4) Loans made when the principal amount of the indebtedness is one hundred thousand dollars or more;

(5) Loans insured, guaranteed, sponsored, or participated in, either in whole or part, by any agency, department, or program of the United States or state government; or

(6) Loans or advances of money, repayable on demand, which are made solely upon securities, as defined in subdivision (12) of section 8-1101, pledged as collateral for such repayment and in which such loans or advances are used by the borrower only for the purchase of securities as so defined. It shall be lawful to contract for and receive any rate of interest on such transaction as the parties thereto may expressly agree.

Sec. 3. That original sections 45-101.03 and 45-101.04, Revised Statutes Supplement, 1978, are repealed.