

LEGISLATURE OF NEBRASKA
ONE HUNDRED FIFTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 812

Introduced by Lindstrom, 18.

Read first time January 04, 2018

Committee: Banking, Commerce and Insurance

- 1 A BILL FOR AN ACT relating to banks and banking; to amend sections 8-135,
2 8-143.01, 8-157.01, 8-167.01, 8-183.04, 8-1,140, 8-318, 8-355, and
3 21-17,115, Revised Statutes Supplement, 2017; to adopt certain
4 federal provisions; to revise powers of state-chartered banks,
5 building and loan associations, and credit unions; to eliminate
6 obsolete provisions; to repeal the original sections; and to declare
7 an emergency.
8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 8-135, Revised Statutes Supplement, 2017, is
2 amended to read:

3 8-135 (1) All persons, regardless of age, may become depositors in
4 any bank and shall be subject to the same duties and liabilities
5 respecting their deposits. Whenever a deposit is accepted by any bank in
6 the name of any person, regardless of age, the deposit may be withdrawn
7 by the depositor by any of the following methods:

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

12 (b) Electronic means through:

13 (i) Preauthorized direct withdrawal;

14 (ii) An automatic teller machine;

15 (iii) A debit card;

16 (iv) A transfer by telephone;

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

18 (vi) Any electronic terminal, computer, magnetic tape, or other
19 electronic means.

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

23 (3) This section shall not be construed to affect the rights,
24 liabilities, or responsibilities of participants in an electronic fund
25 transfer under the federal Electronic Fund Transfer Act, 15 U.S.C. 1693
26 et seq., as the act existed on January 1, 2018 ~~2017~~, and shall not affect
27 the legal relationships between a minor and any person other than the
28 bank.

29 Sec. 2. Section 8-143.01, Revised Statutes Supplement, 2017, is
30 amended to read:

31 8-143.01 (1) No bank shall extend credit to any of its executive

1 officers, directors, or principal shareholders or to any related interest
2 of such persons in an amount that, when aggregated with the amount of all
3 other extensions of credit by the bank to that person and to all related
4 interests of that person, exceeds the higher of twenty-five thousand
5 dollars or five percent of the bank's unimpaired capital and unimpaired
6 surplus unless (a) the extension of credit has been approved in advance
7 by a majority vote of the entire board of directors of the bank, a record
8 of which shall be made and kept as a part of the records of such bank,
9 and (b) the interested party has abstained from participating directly or
10 indirectly in such vote.

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

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

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

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

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

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

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

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

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

29 (b) Except as provided in subdivision (c) of this subsection, in
30 lieu of the reports required by subdivision (a) of this subsection, the
31 board of directors of a bank may obtain a credit report from a recognized

1 credit agency, on an annual basis, for any or all of its executive
2 officers.

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

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

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

24 (b) Nothing in subdivision (a) of this subsection shall prohibit any
25 extension of credit made by a bank pursuant to a benefit or compensation
26 program under the provisions of 12 C.F.R. 215.4(a)(2).

27 (8) For purposes of this section:

28 (a) Executive officer means a person who participates or has
29 authority to participate, other than in the capacity of director, in the
30 major policymaking functions of the bank, whether or not the officer has
31 an official title, the title designates such officer as an assistant, or

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

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

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

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

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

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

25 (10) The Director of Banking and Finance may adopt and promulgate
26 rules and regulations to carry out this section, including rules and
27 regulations defining or further defining terms used in this section,
28 consistent with the provisions of 12 U.S.C. 84 and implementing
29 Regulation O as such section and regulation existed on January 1, 2018
30 ~~2017~~.

31 Sec. 3. Section 8-157.01, Revised Statutes Supplement, 2017, is

1 amended to read:

2 8-157.01 (1) Any establishing financial institution may establish
3 and maintain any number of automatic teller machines at which all banking
4 transactions, defined as receiving deposits of every kind and nature and
5 crediting such to customer accounts, cashing checks and cash withdrawals,
6 transferring funds from checking accounts to savings accounts,
7 transferring funds from savings accounts to checking accounts,
8 transferring funds from either checking accounts and savings accounts to
9 accounts of other customers, transferring payments from customer accounts
10 into accounts maintained by other customers of the financial institution
11 or the financial institution, including preauthorized draft authority,
12 preauthorized loans, and credit transactions, receiving payments payable
13 at the financial institution or otherwise, account balance inquiry, and
14 any other transaction incidental to the business of the financial
15 institution or which will provide a benefit to the financial
16 institution's customers or the general public, may be conducted. Any
17 automatic teller machine owned by a nonfinancial institution third party
18 shall be sponsored by an establishing financial institution. Neither such
19 automatic teller machines nor the transactions conducted thereat shall be
20 construed as the establishment of a branch or as branch banking.

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

25 ~~(3)(a)(i) All (3)(a) Beginning November 1, 2016, (i) all~~ automatic
26 teller machines shall be made available on a nondiscriminating basis for
27 use by Nebraska customers of a user financial institution and (ii) all
28 Nebraska automatic teller machine transactions initiated by Nebraska
29 customers of a user financial institution shall be made on a
30 nondiscriminating basis.

31 (b) It shall not be deemed discrimination if (i) an automatic teller

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

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

30 (d) A switch (i) shall provide to all financial institutions that
31 have a main office or approved branch located in the State of Nebraska

1 and that conform to the operating rules and technical standards
2 established by the switch an equal opportunity to participate in the
3 switch for the use of and access thereto; (ii) shall implement the same
4 automatic teller machine usage fee for all user financial institutions
5 for essentially the same service; (iii) shall be capable of operating to
6 accept and route Nebraska automatic teller machine transactions, whether
7 receiving data from an automatic teller machine, an establishing
8 financial institution, or a data processing center; and (iv) shall be
9 capable of being directly or indirectly connected to every data
10 processing center for any automatic teller machine.

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

16 (f) Subject to the requirement for a financial institution to comply
17 with this subsection, no user financial institution or establishing
18 financial institution shall be required to become a member of any
19 particular switch.

20 (4) Any consumer initiating an electronic funds transfer at an
21 automatic teller machine for which an automatic teller machine surcharge
22 will be imposed shall receive notice in accordance with the provisions of
23 15 U.S.C. 1693b(d)(3)(A) and (B), as such section existed on January 1,
24 2018 ~~2017~~. Such notice shall appear on the screen of the automatic teller
25 machine or appear on a paper notice issued from such machine after the
26 transaction is initiated and before the consumer is irrevocably committed
27 to completing the transaction.

28 (5) A point-of-sale terminal may be established at any point within
29 this state by a financial institution, a group of two or more financial
30 institutions, or a combination of a financial institution or financial
31 institutions and a third party or parties. Such parties may contract with

1 a seller of goods and services or any other third party for the operation
2 of point-of-sale terminals.

3 (6) A seller of goods and services or any other third party on whose
4 premises one or more point-of-sale terminals are established shall not
5 be, solely by virtue of such establishment, a financial institution and
6 shall not be subject to the laws governing, or other requirements imposed
7 on, financial institutions, except for the requirement that it faithfully
8 perform its obligations in connection with any transaction originated at
9 any point-of-sale terminal on its premises.

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

14 (8)(a) ~~Annually Beginning September 1, 2015, and thereafter annually~~
15 ~~by September 1, any entity operating as a switch in Nebraska prior to~~
16 ~~September 1, 2015, regardless of whether the switch had been approved by~~
17 ~~the department,~~ shall file a notice with the department setting forth its
18 name, address, and contact information for an officer authorized to
19 answer inquiries related to its operations in Nebraska.

20 (b) ~~Any On or after September 1, 2015,~~ any entity intending to
21 operate in Nebraska as a switch shall file a notice with the department
22 setting forth its name, address, and contact information for an officer
23 authorized to answer inquiries related to its operations in Nebraska.
24 Such notice shall be filed at least thirty days prior to the date on
25 which the switch commences operations, and thereafter annually by
26 September 1.

27 (9) Nothing in this section prohibits ordinary clearinghouse
28 transactions between financial institutions.

29 (10) Nothing in this section shall prevent any financial institution
30 which has a main chartered office or an approved branch located in the
31 State of Nebraska from participating in a national automatic teller

1 machine program to allow its customers to use automatic teller machines
2 located outside of the State of Nebraska which are established by out-of-
3 state financial institutions or foreign financial institutions or to
4 allow customers of out-of-state financial institutions or foreign
5 financial institutions to use its automatic teller machines. Such
6 participation and any automatic teller machine usage fees charged or
7 received pursuant to the national automatic teller machine program or
8 usage fees charged for the use of its automatic teller machines by
9 customers of out-of-state financial institutions or foreign financial
10 institutions shall not be considered for purposes of determining (a) if
11 an automatic teller machine has been made available or Nebraska automatic
12 teller machine transactions have been made on a nondiscriminating basis
13 for use by Nebraska customers of a user financial institution or (b) if a
14 switch complies with subdivision (3)(d) of this section.

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

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

23 (13) Nothing in this section shall prevent a group of two or more
24 credit unions, each of which has a main chartered office or an approved
25 branch located in the State of Nebraska, from participating in a credit
26 union service organization organized on or before January 1, 2015, for
27 the purpose of owning automatic teller machines, provided that all
28 participating credit unions have an ownership interest in the credit
29 union service organization and that the credit union service organization
30 has an ownership interest in each of the participating credit unions'
31 automatic teller machines. Such participation and any automatic teller

1 machine usage fees associated with Nebraska automatic teller machine
2 transactions initiated by customers of participating credit unions at
3 such automatic teller machines shall not be considered for purposes of
4 determining if such automatic teller machines have been made available on
5 a nondiscriminating basis or if Nebraska automatic teller machine
6 transactions initiated at such automatic teller machines have been made
7 on a nondiscriminating basis, provided that all Nebraska automatic teller
8 machine transactions initiated by customers of participating credit
9 unions result in the same automatic teller machine usage fees for
10 essentially the same service routed over the same switch.

11 ~~(14)(a) Except for any violation of this subsection, the department~~
12 ~~shall take no enforcement action under this section between May 14, 2015,~~
13 ~~and November 1, 2016, with respect to access to automatic teller~~
14 ~~machines, Nebraska automatic teller machine usage fees, or any agreements~~
15 ~~relating to Nebraska automatic teller machine usage fees which existed on~~
16 ~~May 14, 2015, except for changes in automatic teller machine usage fees~~
17 ~~announced prior to May 14, 2015.~~

18 ~~(b) Nebraska automatic teller machine usage fees or agreements~~
19 ~~relating to Nebraska automatic teller machine usage fees in effect on May~~
20 ~~14, 2015, shall remain unchanged until April 1, 2016, except for changes~~
21 ~~in automatic teller machine usage fees announced prior to May 14, 2015.~~

22 ~~(c) There shall be a moratorium on the implementation of any~~
23 ~~agreement with new members relating to Nebraska automatic teller machine~~
24 ~~usage fees between May 14, 2015, and April 1, 2016, except for changes in~~
25 ~~automatic teller machine usage fees announced prior to May 14, 2015.~~

26 ~~(d) Any agreement implemented on or after April 1, 2016, relating to~~
27 ~~Nebraska automatic teller machine usage fees shall comply with subsection~~
28 ~~(3) of this section.~~

29 ~~(14) (e) Commencing November 1, 2016, Nebraska automatic teller~~
30 ~~machine usage fees and any agreements relating to Nebraska automatic~~
31 ~~teller machine usage fees shall comply with subsection (3) of this~~

1 section.

2 (15) For purposes of this section:

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

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

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

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

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

24 (f) Essentially the same service means the same Nebraska automatic
25 teller machine transaction offered by an establishing financial
26 institution irrespective of the user financial institution, the Nebraska
27 customer of which initiates the Nebraska automatic teller machine
28 transaction. A Nebraska automatic teller machine transaction that is
29 subject to a surcharge is not essentially the same service as the same
30 banking transaction for which a surcharge is not imposed;

31 (g) Establishing financial institution means any financial

1 institution which has a main chartered office or approved branch located
2 in the State of Nebraska that establishes or sponsors an automatic teller
3 machine or any out-of-state financial institution that establishes or
4 sponsors an automatic teller machine;

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

10 (i) Foreign financial institution means a financial institution
11 located outside the United States;

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

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

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

28 (m) Switch fee means a fee established by a switch and assessed to a
29 user financial institution or to an establishing financial institution
30 other than an automatic teller machine usage fee; and

31 (n) User financial institution means any financial institution which

1 has a main chartered office or approved branch located in the State of
2 Nebraska which avails itself of and provides its customers with automatic
3 teller machine services.

4 Sec. 4. Section 8-167.01, Revised Statutes Supplement, 2017, is
5 amended to read:

6 8-167.01 The publication requirements of section 8-167 shall not
7 apply to any bank that makes a disclosure statement available to any
8 member of the general public upon request in compliance with the
9 disclosure of financial information provisions of 12 C.F.R. part 350, as
10 such part existed on January 1, 2018 ~~2017~~.

11 Sec. 5. Section 8-183.04, Revised Statutes Supplement, 2017, is
12 amended to read:

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

18 (2) All references to shareholders or stockholders for state banks
19 shall be deemed to be references to members for such a converted savings
20 association.

21 (3) The amount and type of capital required for such a converted
22 savings association shall be as required for federal mutual savings
23 associations in 12 C.F.R. part 567, as such part existed on January 1,
24 2018 ~~2017~~, except that if at any time the department determines that the
25 capital of such a converted savings association is impaired, the director
26 may require the members to make up the capital impairment.

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

1 Sec. 6. Section 8-1,140, Revised Statutes Supplement, 2017, is
2 amended to read:

3 8-1,140 Notwithstanding any of the other provisions of the Nebraska
4 Banking Act or any other Nebraska statute, any bank incorporated under
5 the laws of this state and organized under the provisions of the act, or
6 under the laws of this state as they existed prior to May 9, 1933, shall
7 directly, or indirectly through a subsidiary or subsidiaries, have all
8 the rights, powers, privileges, benefits, and immunities which may be
9 exercised as of January 1, 2018 ~~2017~~, by a federally chartered bank doing
10 business in Nebraska, including the exercise of all powers and activities
11 that are permitted for a financial subsidiary of a federally chartered
12 bank. Such rights, powers, privileges, benefits, and immunities shall not
13 relieve such bank from payment of state taxes assessed under any
14 applicable laws of this state.

15 Sec. 7. Section 8-318, Revised Statutes Supplement, 2017, is amended
16 to read:

17 8-318 (1)(a) Shares of stock in any association, or in any federal
18 savings and loan association incorporated under the provisions of the
19 federal Home Owners' Loan Act ~~of 1933~~, with its principal office and
20 place of business in this state, may be subscribed for, held,
21 transferred, surrendered, withdrawn, and forfeited and payments thereon
22 received and receipted for by any person, regardless of age, in the same
23 manner and with the same binding effect as though such person were of the
24 age of majority, except that a minor or his or her estate shall not be
25 bound on his or her subscription to stock except to the extent of
26 payments actually made thereon.

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

30 (i) Check or other instrument in writing. The check or other
31 instrument in writing constitutes a receipt or acquittance if the check

1 or other instrument in writing is signed by the shareholder and
2 constitutes a valid release in discharge to the building and loan
3 association for all payments so made; or

4 (ii) Electronic means through:

5 (A) Preauthorized direct withdrawal;

6 (B) An automatic teller machine;

7 (C) A debit card;

8 (D) A transfer by telephone;

9 (E) A network, including the Internet; or

10 (F) Any electronic terminal, computer, magnetic tape, or other
11 electronic means.

12 (c) This section shall not be construed to affect the rights,
13 liabilities, or responsibilities of participants in an electronic fund
14 transfer under the federal Electronic Fund Transfer Act, 15 U.S.C. 1693
15 et seq., as it existed on January 1, 2018 ~~2017~~, and shall not affect the
16 legal relationships between a minor and any person other than the
17 building and loan association.

18 (2) All trustees, guardians, personal representatives,
19 administrators, and conservators appointed by the courts of this state
20 may invest and reinvest in, acquire, make withdrawals in whole or in
21 part, hold, transfer, or make new or additional investments in or
22 transfers of shares of stock in any (a) building and loan association
23 organized under the laws of the State of Nebraska or (b) federal savings
24 and loan association incorporated under the provisions of the federal
25 Home Owners' Loan Act ~~of 1933~~, having its principal office and place of
26 business in this state, without an order of approval from any court.

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

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

22 Sec. 8. Section 8-355, Revised Statutes Supplement, 2017, is amended
23 to read:

24 8-355 Notwithstanding any of the provisions of Chapter 8, article 3,
25 or any other Nebraska statute, except as provided in section 8-345.02,
26 any association incorporated under the laws of the State of Nebraska and
27 organized under the provisions of such article shall have all the rights,
28 powers, privileges, benefits, and immunities which may be exercised as of
29 January 1, 2018 ~~2017~~, by a federal savings and loan association doing
30 business in Nebraska. Such rights, powers, privileges, benefits, and
31 immunities shall not relieve such association from payment of state taxes

1 assessed under any applicable laws of this state.

2 Sec. 9. Section 21-17,115, Revised Statutes Supplement, 2017, is
3 amended to read:

4 21-17,115 Notwithstanding any of the other provisions of the Credit
5 Union Act or any other Nebraska statute, any credit union incorporated
6 under the laws of the State of Nebraska and organized under the
7 provisions of the act shall have all the rights, powers, privileges,
8 benefits, and immunities which may be exercised as of January 1, 2018
9 ~~2017~~, by a federal credit union doing business in Nebraska on the
10 condition that such rights, powers, privileges, benefits, and immunities
11 shall not relieve such credit union from payment of state taxes assessed
12 under any applicable laws of this state.

13 Sec. 10. Original sections 8-135, 8-143.01, 8-157.01, 8-167.01,
14 8-183.04, 8-1,140, 8-318, 8-355, and 21-17,115, Revised Statutes
15 Supplement, 2017, are repealed.

16 Sec. 11. Since an emergency exists, this act takes effect when
17 passed and approved according to law.