

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
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February 13, 1997 LB 364, 412

They report the bill to General File with no committee amendments.

PRESIDENT ROBAK: The Chair recognizes Senator Brashear to open on the bill.

SENATOR BRASHEAR: Madam President, members of the body, LB 364 essentially does two things. First of all, in 1996, federal law was changed to allow a bank or bank holding company to have...to elect subchapter S corporation under the Internal Revenue...subchapter S corporation status under the Internal Revenue Code. So, first, LB 364 would eliminate the qualifying share, which our state banking code has heretofore required that every director of every bank hold, because the holding of that share could become an impediment of the election of subchapter S status. Secondly, we amend the State Banking Code to conform insider lending provisions of our state law to federal insider lending provisions as they apply to banks and bank holding companies. Specifically, we would be providing...we would be clarifying the amount of a refinancing in the event of an executive officer's residence loan and also we would be providing an exception for loans which are secured by certain specified types of security. These are, essentially, updating and conforming provisions and I would urge the body to advance LB 364. Thank you.

PRESIDENT ROBAK: Thank you, Senator. Is there any discussion on the advancement of LB 364? Seeing none, Senator Brashear, to close. Closing is waived. The question before you is the advancement of LB 364. All those in favor vote aye; all those opposed vote nay. Please record.

ASSISTANT CLERK: 25 ayes, 0 nays on the motion to advance the bill.

PRESIDENT ROBAK: LB 364 advances. We pass over LB 53 and turn to LB 412.

ASSISTANT CLERK: LB 412 was introduced by Senator Landis. (Read title.) The bill was read for the first time on January 16, referred to the Banking Committee. They report the bill to General File with committee amendments attached. (See