

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office

February 20, 1997 LB 137

amendments to LB 137. All in favor say aye. Opposed no. They are adopted.

CLERK: Senator Landis would move to amend the bill, Madam President. (See AM0352 found on page 642 of the Legislative Journal.)

SENATOR CROSBY: Senator Landis.

SENATOR LANDIS: Thank you, Madam President. The amendment is not only in your laptop, but it is in your Legislative Journal and it appears on page 643. There are three ideas in this and they come from the workload of the committee, generally. This is the omnibus bill by the Banking Department. One of the things that's in the bill is the power to make an administrative fine for violations of Chapter 8 banking statutes, the Credit Union Act, or the rules, regs, and orders of the department. The bill originally came in with a \$25,000 cap, and the industry thought that was too high. The department thought that was reasonable. The committee, at the time, said, well, we'll go with the department, but they were aware that the department and the industry continued to talk. I made a recommendation to both sides that we do a 10,000-dollar cap on a first offense, and a 25,000-dollar cap on a second offense, and that seemed to be acceptable to the industry, it seemed to be acceptable to the department, and the committee has been apprised of that recommendation and seems to generally support it. So that's one of the three things in the bill. Secondly, in the event somebody fails to pay this administrative fee, there is the provision for taking a lien on personal...on real property. Senator Beutler pointed out in a reading of the bill on General File that we had identified in three of the four places in the act where the lien was to have been filed, but that we left out on the fourth of those situations where the lien was to be filed, and this says it is to be filed in the county of the location of the real property, as I recall. In other words, using the same provisions as to where to file the lien that occurs in the other three places in the bill in the fourth. Lastly, there is a provision in this amendment that the committee recommends to you which really was a reaction to a bill that we had on credit unions. Credit unions are required by law to have a common bond, something that ties its