

One Hundred Fifth Legislature - First Session - 2017

Introducer's Statement of Intent

LB375

Chairperson: Senator Brett Lindstrom

Committee: Banking, Commerce and Insurance

Date of Hearing: February 14, 2017

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 375 proposes to update the State Credit Union Act, which was last updated in 1996, by eliminating outdated and unnecessary sections and harmonizing and clarifying other sections. LB375 would add a definition of “financial institution” to the act in keeping with the same definition found in the Nebraska Banking Act and amends the definition of a fixed asset to adhere with standards associated to Generally Accepted Accounting Principles. In addition, it clarifies that the Director of the Nebraska Department of Banking and Finance acts and notifies any applicant proposing the formation of a credit union of his or her decision within one hundred and twenty calendar days of receiving an application and allows a credit union, upon the approval of the Director, to purchase assets and assume liabilities of another financial institution. The bill also allows a credit union’s bylaws govern the terms under which joint account holders may meet full membership requirements.

Principal Introducer: _____

Senator Paul Schumacher