

ONE HUNDRED NINTH LEGISLATURE - SECOND SESSION - 2026
COMMITTEE STATEMENT (UPDATED)
LB836

Hearing Date: Tuesday January 27, 2026
Committee On: Banking, Commerce and Insurance
Introducer: Jacobson
One Liner: Change and eliminate provisions relating to charges for examination of financial institutions, levying assessments, fees, and costs on financial entities, and transfers from a fund

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye: 8 Senators Jacobson, Bostar, Dungan, Hallstrom, Hardin, Riepe, von Gillern, Wordekemper
Nay:
Absent:
Present Not Voting:

Testimony:

Proponents:

Senator Mike Jacobson
Kelly Lammers
Ryan McIntosh
Dexter Schrodt

Representing:

Opening Presenter
Nebraska Department of Banking
Nebraska Banking Association
Independent Community Bankers Association

Opponents:

Representing:

Neutral:

Representing:

* ADA Accommodation Written Testimony

Summary of purpose and/or changes:

LB 836 modernizes the way the state charges financial institutions and entities for examinations and assessments. It shifts the Department of Banking and Finance (Department) away from a standard hourly examination fee for certain entities and instead moves toward an assessment-based model that considers factors like transaction volume and loan origination, rather than strictly asset size.

Section-by-Section Summary:

Section 1: Amends Neb. Rev. Stat. § 8-108 to grant the Department authority to charge electronic data processing centers for examination time at a rate determined by the Director, rather than a fixed rate tied to bank examiner hourly scales.



Section 2: Amends Neb. Rev. Stat. § 8-601 to expand the Department's assessment power to include non-depository financial entities (like mortgage lenders or money transmitters) that were previously not captured by asset-based assessments. It shifts the funding model from a strictly asset-based calculation to a more flexible system that accounts for the volume of business activity, such as loans originated or money transmitted.

Section 3: Amends Neb. Rev. Stat. § 8-603 to update the list of legal references to ensure that all money collected (such as the EDP examination fees) is correctly funneled into the Financial Institution Assessment Cash Fund. It moves the broader assessment authority under the umbrella of Neb. Rev. Stat. § 8-601, which was expanded to cover more types of financial entities in Section 2 of the bill.

Section 4: Amends Neb. Rev. Stat. § 8-605 by adding a new subsection mandating that annual assessments for specific licensed entities, such as mortgage lenders, money transmitters, and payday lenders, be calculated based on their activity volume (e.g., number of transactions, loan originations, or money transmitted) rather than their total asset size.

Section 5: Amends Neb. Rev. Stat. § 8-606 by eliminating the requirement for standard hourly examination charges for specific financial entities in favor of the new assessment model.

Section 6: Amends Neb. Rev. Stat. § 8-607 to broaden the Department's disciplinary reach by allowing it to suspend or revoke the registrations of financial entities in addition to traditional charters and licenses. It also formally categorizes "hearing costs" as a delinquent debt, ensuring that if a financial institution requires an administrative hearing because of non-payment, the institution itself, rather than the state, bears the cost of that legal process.

Section 7: Repealer.

Explanation of amendments:

AM 1780 adds Neb. Rev. Stat. 8-604 to the bill of the original bill, removing language allowing the Nebraska Legislature to transfer funds from the Financial Institution Assessment Cash Fund to the General Fund.

Mike Jacobson, Chairperson

