

LEGISLATIVE BILL 907

Approved by the Governor March 28, 1986

Introduced by DeCamp, 40

AN ACT relating to banks and banking; to amend section 8-1502, Reissue Revised Statutes of Nebraska, 1943; to change provisions relating to notice requirements for acquisitions of certain financial institutions; and to repeal the original section.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 8-1502, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

8-1502. (1) Except as provided in subsection (2) of this section, no Ne person acting personally or as agent shall acquire control of any state-chartered bank or industrial loan and investment company without first giving sixty days' notice to the Department of Banking and Finance on forms provided by the department of such proposed acquisition.

The Director of Banking and Finance, upon receipt of such notice, shall act upon it within thirty days, and, unless he or she disapproves the proposed acquisition within that period of time, it may become effective on the sixty-first day after receipt without his or her approval, except that the director may extend the thirty-day period an additional thirty days if in his or her judgment any material information submitted is substantially inaccurate or the acquiring party has not furnished all the information required by sections 8-1501 to 8-1505 or by the director.

Within three days after his or her decision to disapprove any proposed acquisition, the director shall notify the acquiring party in writing of the disapproval. Such notice shall provide a statement of the basis for the disapproval.

(2) The notice requirements of subsection (1) of this section shall not apply when:

(a) Shares of a state-chartered bank or industrial loan and investment company are acquired by a person in the regular course of securing or collecting a debt previously contracted in good faith if notice of such acquisition is given to the department, on forms provided by the department, within ten days after the

acquisition; or

(b) The director, the Governor, and the Secretary of State jointly determine that an emergency exists which requires expeditious action or that the department must act immediately to prevent probable failure of the institution to be acquired.

Sec. 2. That original section 8-1502, Reissue Revised Statutes of Nebraska, 1943, is repealed.