

LEGISLATURE OF NEBRASKA
ONE HUNDRED SIXTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 453

Introduced by Clements, 2; Stinner, 48.

Read first time January 18, 2019

Committee:

- 1 A BILL FOR AN ACT relating to credit unions; to amend section 21-1725.01,
- 2 Revised Statutes Cumulative Supplement, 2018; to provide for
- 3 hearings on membership expansion applications as prescribed; to
- 4 harmonize provisions; and to repeal the original section.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 21-1725.01, Revised Statutes Cumulative
2 Supplement, 2018, is amended to read:

3 21-1725.01 (1) Upon receiving an application to establish a new
4 credit union, a public hearing shall be held on each application. Notice
5 of the filing of the application shall be published by the department for
6 three weeks in a legal newspaper published in or of general circulation
7 in the county where the applicant proposes to operate the credit union.
8 The date for hearing the application shall be not less than thirty days
9 after the last publication of notice of hearing and not more than ninety
10 days after filing the application unless the applicant agrees to a later
11 date. Notice of the filing of the application shall be sent by the
12 department to all financial institutions located in the county where the
13 applicant proposes to operate.

14 (2) When application is made to establish a branch of a credit
15 union, the director shall hold a hearing on the matter if he or she
16 determines, in his or her discretion, that the condition of the applicant
17 credit union warrants a hearing. If the director determines that the
18 condition of the credit union does not warrant a hearing, the director
19 shall publish a notice of the filing of the application in a newspaper of
20 general circulation in the county where the proposed branch would be
21 located. If the director receives any substantive objection to the
22 proposed credit union branch within fifteen days after publication of
23 such notice, he or she shall hold a hearing on the application. Notice of
24 a hearing held pursuant to this subsection shall be published for two
25 consecutive weeks in a newspaper of general circulation in the county
26 where the proposed branch would be located. The date for hearing the
27 application shall be not less than thirty days after the last publication
28 of notice of hearing and not more than ninety days after the filing of
29 the application unless the applicant agrees to a later date.

30 (3) When application is made to amend the articles of association or
31 bylaws of a credit union for the purpose of expanding the credit union's

1 field of membership, the director shall hold a hearing on the matter if
2 he or she determines, in his or her discretion, that the condition of the
3 applicant credit union warrants a hearing. If the director determines
4 that the condition of the credit union does not warrant a hearing, the
5 director shall (a) publish a notice of the filing of the application in a
6 newspaper of general circulation in the county or counties in which the
7 expanded field of membership has been requested and (b) give written
8 notice of the filing of such application by certified mail, return
9 receipt requested, to the Nebraska Bankers Association and the Nebraska
10 Independent Community Bankers Association. If the director receives any
11 substantive objection to the proposed expanded field of membership within
12 fifteen days after publication or receipt of such notice, whichever is
13 later, he or she shall hold a hearing on the application. Notice of a
14 hearing held pursuant to this subsection shall be published for two
15 consecutive weeks in a newspaper of general circulation in the county or
16 counties in which the expanded field of membership has been requested and
17 written notice of such hearing shall be provided by certified mail,
18 return receipt requested, to the Nebraska Bankers Association and the
19 Nebraska Independent Community Bankers Association. The date for hearing
20 the application shall not be less than thirty days after the last
21 publication of notice of hearing or receipt of notice, whichever is
22 later, and not more than ninety days after the filing of the application
23 unless the applicant agrees to a later date.

24 (4) Except as provided in subsection (3) of this section, the ~~(3)~~
25 The director may, in his or her discretion, hold a public hearing on
26 amendments to a credit union's articles of association or bylaws which
27 are brought before the department.

28 (5) ~~(4)~~ The expense of any publication required by this section
29 shall be paid by the applicant but payment shall not be a condition
30 precedent to approval by the director.

31 Sec. 2. Original section 21-1725.01, Revised Statutes Cumulative

1 Supplement, 2018, is repealed.