

Interstate Branching by Merger Act of 1997
Chapter 8, Article 21
§§ 8-2101 to 8-2108

8-2101

Act, how cited.

Sections 8-2101 to 8-2108 shall be known and may be cited as the Interstate Branching By Merger Act of 1997.

Last amended:

Laws 1997, LB 351, § 1

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8-2102

Terms, defined.

For purposes of the Interstate Branching By Merger Act of 1997, unless the context otherwise requires:

- (1) Department means the Department of Banking and Finance;
- (2) Director means the Director of Banking and Finance;
- (3) Home state means (a) with respect to a state chartered bank, the state in which the bank is chartered and (b) with respect to a national bank, the state in which the main office of the bank is located;
- (4) Home state regulator means, with respect to an out-of-state state chartered bank, the bank supervisory agency of the state in which such bank is chartered;
- (5) Host state means a state, other than the home state of a bank, in which the bank maintains, or seeks to establish and maintain, a branch;
- (6) Interstate merger transaction means a merger or consolidation of two or more banks, at least one of which is a Nebraska bank and at least one of which is an out-of-state bank, and the conversion of the main office and the branches of any bank involved in such merger or consolidation into branches of the resulting bank;
- (7) Nebraska bank means a bank whose home state is Nebraska;
- (8) Nebraska state chartered bank means a corporation which is chartered to conduct a bank in this state pursuant to the Nebraska Banking Act;

(9) Out-of-state bank means a bank whose home state is a state other than Nebraska;

(10) Out-of-state state chartered bank means a bank chartered under the laws of any state other than Nebraska;

(11) Resulting bank means a bank that has resulted from an interstate merger transaction under the Interstate Branching By Merger Act of 1997; and

(12) State means any state of the United States, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, and the Northern Mariana Islands.

Last amended:

Laws 1998, LB 1321, § 74

Cross References:

Nebraska Banking Act, see section 8-101.01.

~ Revised Statutes Cumulative Supplement, 2006

8-2103

Nebraska state chartered bank; powers.

(1) A Nebraska state chartered bank may engage in an interstate merger transaction and establish one or more branches in any other state in accordance with the laws of the other state and with the approval of the director.

(2) A Nebraska state chartered bank may conduct any activities at any branch outside the State of Nebraska that are permissible for a bank chartered by the host state where the branch is located.

Last amended:

Laws 1997, LB 351, § 3

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8-2104

Interstate merger transaction; eligibility; powers and duties.

(1) A Nebraska bank which has been in existence for five years or more may be acquired by and engage in an interstate merger transaction with any out-of-state bank.

(2) A bank which is acquired and converted to a branch of an out-of-state bank

pursuant to an interstate merger transaction shall have all the powers and be subject to the same limitations as any other branch located in this state.

(3) An out-of-state bank that has acquired a Nebraska bank under the Interstate Branching By Merger Act of 1997 may maintain and operate the branches of a Nebraska bank with which the out-of-state bank engaged in an interstate merger transaction, and may establish or acquire additional branches in this state, to the same extent that any Nebraska bank may establish or acquire a branch in Nebraska.

(4) All branches of an out-of-state bank shall comply with all applicable Nebraska laws and regulations in the conduct of their business in this state to the maximum extent authorized by federal law.

Last amended:

Laws 2002, LB 1089, § 11

~ Revised Statutes Cumulative Supplement, 2006

8-2105

Out-of-state bank; branches; limitation.

No out-of-state bank shall be permitted to establish or acquire a branch located in this state without engaging in an interstate merger transaction or as provided in subsection (3) of section 8-2104.

Last amended:

Laws 1997, LB 351, § 5

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8-2106

Interstate merger transaction; when prohibited.

An interstate merger transaction shall not be permitted if, upon consummation of such transaction, the resulting bank or its bank holding company would have direct or indirect ownership or control of deposits in Nebraska in excess of fourteen percent of the total deposits of all banks in Nebraska, plus the total deposits, savings accounts, passbook accounts, and share accounts in savings and loan associations and building and loan associations in Nebraska, as determined by the director on the basis of the most recent calendar-year-end reports, except as provided in subsection (4) or (5) of section 8-910.

Last amended:

Laws 1997, LB 351, § 6

8-2107

Director; powers and duties; costs.

(1) The director may make such examinations of any branch established and maintained in this state by an out-of-state state chartered bank as the director may deem necessary to determine whether the branch is being operated in compliance with the laws of this state and in accordance with safe and sound banking practices.

(2) The director may prescribe requirements for periodic reports regarding any out-of-state bank that operates a branch in Nebraska pursuant to the Interstate Branching By Merger Act of 1997. Any reporting requirements prescribed by the director under this subsection shall be consistent with the reporting requirements applicable to Nebraska state banks and appropriate for the purpose of enabling the director to carry out his or her responsibilities under the act.

(3) The director may enter into cooperative, coordinating, and information-sharing agreements with any other bank supervisory agencies or any organization affiliated with or representing one or more bank supervisory agencies with respect to the periodic examination or other supervision of any branch in Nebraska of an out-of-state state chartered bank or any branch of a Nebraska state chartered bank in a host state, and the director may accept such reports of examination and reports of investigation in lieu of conducting his or her own examinations or investigations.

(4) The director may enter into contracts with any bank supervisory agencies that have concurrent jurisdiction over a Nebraska state chartered bank or an out-of-state state chartered bank operating a branch in this state to engage the services of such agencies' examiners or to provide the services of department examiners to such agency.

(5) The director may enter into joint examinations or joint enforcement actions with other bank supervisory agencies having concurrent jurisdiction over any branch in Nebraska of an out-of-state state chartered bank or any branch of a Nebraska state chartered bank in any host state. The director may, at any time, take such actions independently if he or she deems such actions to be necessary or appropriate to carry out his or her responsibilities under the act or to ensure compliance with the laws of this state. In the case of an out-of-state state chartered bank, the director shall recognize the exclusive authority of the home state regulator over corporate government matters and the primary responsibility of the home state regulator with respect to safety and soundness matters.

(6) The cost of any examination conducted under this section shall be assessed against such out-of-state state chartered bank in the manner set forth in section 8-601 and paid for by such out-of-state state chartered bank.

Last amended:

Laws 1997, LB 351, § 7

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8-2108

Branch closing or disposal; act; how construed.

Nothing in the Interstate Branching By Merger Act of 1997 shall prevent the resulting bank in an interstate merger transaction from closing or disposing of any branches acquired in the transaction in accordance with state law subject to applicable federal law regarding branch closures.

Last amended:

Laws 1997, LB 351, § 8

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