Nebraska Installment Loan and Sales Act
Chapter 45, Article 3
§§ 45-334 to 45-380

45-334
Act, how cited.

Sections 45-334 to 45-380 shall be known and may be cited as the Nebraska Installment Loan and Sales Act.

Last Amended:
Reissue 2021; Supp. 2025

45-335
Terms, defined.

For purposes of the Nebraska Installment Loan and Sales Act, unless the context otherwise requires:

(1) Applicant means a person applying for a license under the Nebraska Installment Loan and Sales Act;

(2) Basic time price means the cash sale price of the goods or services which are the subject matter of an installment sales contract plus the amount included therein, if a separate identified charge is made therefor and stated in the contract, for insurance, registration, certificate of title, debt cancellation contract, debt suspension contract, electronic title and lien services, guaranteed asset protection waiver, and license fees, filing fees, an origination fee, and fees and charges prescribed by law which actually are or will be paid to public officials for determining the existence of or for perfecting, releasing, or satisfying any security related to the credit transaction or any charge for nonfiling insurance if such charge does not exceed the amount of fees and charges prescribed by law which would have been paid to public officials for filing, perfecting, releasing, and satisfying any security related to the credit transaction and less the amount of the buyer's downpayment in money or goods or both;

(3) Branch office means any location, other than the main office location, at which the business of a licensee is to be conducted, including:

(a) Any offices physically located in Nebraska; and

(b) Any offices that, while not physically located in this state, intend to transact business with Nebraska residents;

(4) Breach of security of the system means unauthorized acquisition of data that compromises the security, confidentiality, or integrity of information;

(5) Buyer means a person who buys goods or obtains services from a seller in an installment sale;

(6) Cash price or cash sale price means the price stated in an installment sales contract for which the seller would have sold or furnished to the buyer and the buyer would have bought or acquired from the seller goods or services which are the subject matter of the contract if such sale had been a sale for cash instead of an installment sale. It may include the cash price of accessories or services related to the sale such as delivery, installation, alterations, modifications, and improvements and may include taxes to the extent imposed on the cash sale;

(7) Consumer means an individual who is a resident of Nebraska and who seeks to obtain, obtains, or has obtained financial products or services that are to be used primarily for personal, family, or household purposes;

(8)(a) Control in the case of a corporation means (i) direct or indirect ownership of or the right to control twenty-five percent or more of the voting shares of the corporation or (ii) the ability of a person or group acting in concert to elect a majority of the directors or otherwise effect a change in policy.

(b) Control in the case of any other entity means (i) the power, directly or indirectly, to direct the management or policies of the entity, (ii) the contribution of twenty-five percent or more of the capital of the entity, or (iii) the right to receive, upon dissolution, twenty-five percent or more of the capital of the entity;

(9) Debt cancellation contract means a loan term or contractual arrangement modifying loan terms under which a financial institution or licensee agrees to cancel all or part of a buyer's obligation to repay an extension of credit from the financial institution or licensee upon the occurrence of a specified event. The debt cancellation contract may be separate from or a part of other loan documents. The term debt cancellation contract does not include loan payment deferral arrangements in which the triggering event is the buyer's unilateral election to defer repayment or the financial institution's or licensee's unilateral decision to allow a deferral of repayment;

(10) Debt suspension contract means a loan term or contractual arrangement modifying loan terms under which a financial institution or licensee agrees to suspend all or part of a buyer's obligation to repay an extension of credit from the financial institution or licensee upon the occurrence of a specified event. The debt suspension contract may be separate from or a part of other loan documents. The term debt suspension contract does not include loan payment deferral arrangements in which the triggering event is the buyer's unilateral election to defer repayment or the financial institution's or licensee's unilateral decision to allow a deferral of repayment;

(11) Department means the Department of Banking and Finance;

(12) Director means the Director of Banking and Finance;

(13) Financial institution has the same meaning as in section 8-101.03;

(14) Goods means all personal property, except money or things in action, and includes goods which, at the time of sale or subsequently, are so affixed to realty as to become part thereof whether or not severable therefrom;

(15) Guaranteed asset protection waiver means a waiver that is offered, sold, or provided in accordance with the Guaranteed Asset Protection Waiver Act;

(16) Installment sale means any transaction, whether or not involving the creation or retention of a security interest, in which a buyer acquires goods or services from a seller pursuant to an agreement which provides for a time-price differential and under which the buyer agrees to pay all or part of the time-sale price in one or more installments and within one hundred forty-five months, except that the purchase of mobile homes may exceed such one-hundred-forty-five-month limitation. Installment sale does not include a consumer rental purchase agreement defined in and regulated by the Consumer Rental Purchase Agreement Act;

(17) Installment sales contract means an agreement entered into in this state evidencing an installment sale except those otherwise provided for in separate acts;

(18) Licensee means any person who obtains a license under the Nebraska Installment Loan and Sales Act;

(19) Loan or installment loan means a loan or any extension of credit to a consumer originated or made with an interest rate greater than the maximum interest rate allowed under section 45-101.03 and a minimum loan term of six months;

(20) Mortgage loan originator has the same meaning as in section 45-702;

(21) Nationwide Mortgage Licensing System and Registry means a licensing system, also known as the Nationwide Multistate Licensing System and Registry, developed and maintained by the Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators for the licensing and registration of mortgage loan originators, mortgage bankers, installment loan companies, and other state-regulated financial services entities and industries;

(22) Person means individual, partnership, limited liability company, association, financial institution, trust, corporation, or any other legal entity;

(23) Real property means an owner-occupied single-family, two-family, three-family, or four-family dwelling which is located in this state, which is occupied, used, or intended to be occupied or used for residential purposes, and which is, or is intended to be, permanently affixed to the land;

(24) Sales finance company means a person purchasing one or more installment sales contracts from one or more sellers or acquiring any rights of ownership, servicing, or other forms of participation in or otherwise engaging with a consumer on behalf of the purchaser of one or more installment sales contracts from one or more sellers. Sales finance company includes, but is not limited to, a financial institution or installment loan licensee, if so engaged;

(25) Seller means a person who sells goods or furnishes services to a buyer under an installment sale;

(26) Services means work, labor, and services of any kind performed in conjunction with an installment sale but does not include services for which the prices charged are required by law to be established and regulated by the government of the United States or any state;

(27) Time-price differential, however denominated or expressed, means the amount, as limited in the Nebraska Installment Loan and Sales Act, to be added to the basic time price; and

(28) Time-sale price means the total of the basic time price of the goods or services, the amount of the buyer's downpayment in money or goods or both, and the time-price differential.

Last Amended:
Reissue 2021; Supp. 2025; Laws 2026, LB717, § 28.
Operative Date: July 18, 2026

45-336
Installment loan license; installment sales license; when required; interest and other charges; limitations; applicability.

(1) An installment loan license shall be required for:

(a) Any person engaging in the business of making loans;

(b) Any person that holds or acquires any rights of ownership, servicing, or other forms of participation in a loan or that engages with, or conducts loan activity with, an installment loan borrower in connection with a loan; or

(c) Any person that is not a financial institution who, at or after the time a loan is made by a financial institution, markets, owns in whole or in part, holds, acquires, services, or otherwise participates in a loan.

(2) Any person may, after procuring an installment loan license from the department, engage or continue in the business of making loans of money and charge, contract for, and receive the maximum for interest and other charges in accordance with the authorization and requirements of the Nebraska Installment Loan and Sales Act.

(3) An installment loan license shall not be required for:

(a)(i) A financial institution.

(ii) While no financial institution is eligible for an installment loan license or to make loans under the Nebraska Installment Loan and Sales Act, an installment loan license shall be required for any person that is not a financial institution who, at or after the time a loan is made by a financial institution, markets, owns in whole or in part, holds, acquires, services, or otherwise participates in such loan;

(b)(i) An affiliate of an installment loan licensee if the activities of the affiliate in this state are limited solely to the securitization of loans made by the licensee and the servicing rights to the loans are retained by the licensee or assigned or otherwise transferred to a financial institution, licensee, or permittee.

(ii) For purposes of subdivision (b) of this subsection:

(A) Affiliate means an entity that controls, is controlled by, or is under common control with another entity;

(B) Control means to own directly or indirectly or to control in any manner twenty-five percent of the voting shares of an entity or to control in any manner the election of the majority of directors of any entity; and

(C) Securitization means the placing of individual installment loans made by licensees into a commingled or pooled security that is subsequently sold or otherwise transferred to another entity.

(iii) Nothing in this subsection shall be construed to exempt a licensee or affiliate from the Securities Act of Nebraska; and

(c) Any person, who is not an installment loan licensee, that only makes loans that do not exceed the maximum rate of interest permitted by section 45-101.03.

(4) An installment sales license shall be required for any person who acts as a sales finance company in this state, whether or not such person maintains an office, place of doing business, or agent in this state.

(5) An installment sales license shall not be required for:

(a) A financial institution or an installment loan licensee;

(b) A seller who does not otherwise act as a sales finance company, but such seller shall comply with all of the other provisions of the Nebraska Installment Loan and Sales Act in order to charge the time-price differential allowed by section 45-365; or

(c) Persons that negotiate and enter into installment sales contracts by United States mail without personal solicitation by salespersons or other representatives of the seller and based upon the catalog of the seller or other printed solicitation of business, which is distributed and made available generally to the public, if such catalog or other printed solicitation clearly sets forth the cash and time-sale prices and other terms of sales to be made through such medium. All provisions of the Nebraska Installment Loan and Sales Act shall apply to such sales, except that the seller shall not be required to deliver a copy of the contract to the buyer pursuant to section 45-364 and if the contract when received by the seller contains any blank spaces, the seller may insert in the appropriate blank space the amounts of money and other terms which are set forth in the seller's catalog or other printed solicitation which is then in effect. In lieu of sending the buyer a copy of the contract pursuant to section 45-364, the seller shall furnish to the buyer a written statement of any items inserted in the blank spaces in the contract received from the buyer.

(6) Loans made by financial institutions that are serviced by or purchased by a licensee shall not be subject to the interest rate limitations of the Nebraska Installment Loan and Sales Act.

Last Amended:
Reissue 2021; Supp. 2025

45-337
Installment loan license; installment sales license; application; form; contents; fee; license; issuance; procedure; not transferable or assignable; personal jurisdiction.

(1) An application for either an installment loan license or an installment sales license shall be on a form prescribed and furnished by the director and shall include, but not be limited to:

(a) The applicant's name and any trade name or doing business as designation which the applicant intends to use in this state;

(b) The applicant's main office address;

(c) All branch office addresses of the applicant at which business is to be conducted;

(d) The names and titles of each director and principal officer of the applicant;

(e) The names of all shareholders, partners, or members of the applicant;

(f) A description of the activities of the applicant in such detail as the department may require;

(g) If the applicant is an individual, such individual's social security number;

(h) Audited financial statements of the applicant showing a minimum net worth of one hundred thousand dollars;

(i) Background checks of the applicant as provided in section 45-373; and

(j) A surety bond as provided in section 45-338.

(2) All applications for licenses must be accompanied by any processing fee allowed for by section 45-373, any application and processing fees for associated branch applications pursuant to section 45-339, and a filing fee of:

(a) One hundred fifty dollars for an installment sales license; and

(b) Five hundred dollars for an installment loan license.

(3) The director shall, after an application has been filed for a license under the Nebraska Installment Loan and Sales Act, investigate the applicant to determine whether all requirements for licensure have been met and to determine if a finding can be made that the experience,

character, and general fitness of the applicant, of the members thereof if the applicant is a corporation or association, and of the officers and directors thereof if the applicant is a corporation, are such as to warrant belief that the business will be operated honestly, fairly, and efficiently within the purposes of the Nebraska Installment Loan and Sales Act.

(4) The director may, within the director's discretion, make an examination and inspection concerning the propriety of the issuance of a license to any applicant. The cost of such examination and inspection shall be borne by the applicant.

(5) If all requirements to obtain a license under the Nebraska Installment Loan and Sales Act are met and a finding can be made that the experience, character, and general fitness of the applicant, of the members thereof if the applicant is a corporation or association, and of the officers and directors thereof if the applicant is a corporation, are such as to warrant belief that the business will be operated honestly, fairly, and efficiently within the purpose of the Nebraska Installment Loan and Sales Act, the director shall issue and deliver a license to the applicant to do business in accordance with the license and the Nebraska Installment Loan and Sales Act. The director shall have the power to deny for cause any application for a license.

(6) The department shall approve or deny every application for a license under the Nebraska Installment Loan and Sales Act within ninety days after the filing of an application, if the application is substantially complete and is accompanied by the required fees and the approved bond.

(7) A license issued under the Nebraska Installment Loan and Sales Act is nontransferable and nonassignable.

(8) An initial license shall remain in full force and effect until the next succeeding December 31. Each license shall remain in force until revoked, suspended, canceled, expired, or surrendered.

(9) If an applicant for a license under the Nebraska Installment Loan and Sales Act does not complete the license application and fails to respond to a notice or notices from the department to correct the deficiency or deficiencies for a period of one hundred twenty days or more after the date the department sends the initial notice to correct the deficiency or deficiencies, the department may deem the application as abandoned and may issue a notice of abandonment of the application to the applicant in lieu of proceedings to deny the application.

(10) Obtaining a license constitutes sufficient contact with this state for the exercise of personal jurisdiction over the licensee in any action arising out of the licensee's activity in this state.

Last Amended:
Reissue 2021; Supp. 2025

45-338
Surety bond.

(1) An applicant for a license to be issued pursuant to the Nebraska Installment Loan and Sales Act shall file with the department a surety bond in the amount of fifty thousand dollars, furnished

by a surety company authorized to do business in this state. Such bond shall be increased by an additional fifty thousand dollars for each branch location of the applicant that is licensed under the Nebraska Installment Loan and Sales Act. The bond shall be for the use of the State of Nebraska and any Nebraska resident who may have claims or causes of action against the applicant. The surety may cancel the bond only upon thirty days' prior written notice to the director.

(2)(a) Except as provided in subsection (3) of this section, an installment loan licensee who employs or enters into an independent agent agreement with an individual required to obtain a mortgage loan originator license pursuant to the Residential Mortgage Licensing Act shall maintain the surety bond required by subsection (1) of this section and a supplemental surety bond. The supplemental surety bond posted by such installment loan licensee shall cover all mortgage loan originators who are employees or independent agents of such licensee. The supplemental surety bond shall be for the use of the State of Nebraska and any Nebraska resident who may have claims or causes of action against such licensee arising from a transaction involving a residential mortgage loan, as defined in section 45-702, or against an individual who is a mortgage loan originator employed by, or in an independent agent relationship with, the licensee. The initial amount of the supplemental surety bond shall be one hundred thousand dollars.

(b) Upon filing of the mortgage report of condition required by section 45-345, a licensee shall maintain or increase its supplemental surety bond to reflect the total dollar amount of the closed residential mortgage loans originated or serviced in this state in the preceding year in accordance with the table in this subsection. A licensee may decrease its supplemental surety bond in accordance with the table in this subsection if the supplemental surety bond required is less than the amount of the supplemental surety bond on file with the department.

Dollar Amount of Closed or Serviced	Surety Bond Required
Residential Mortgage Loans	
$0.00 through $5,000,000.00	$100,000
$5,000,000.01 through $10,000,000.00	$125,000
$10,000,000.01 through $25,000,000.00	$150,000
$25,000,000.01 and over	$200,000

(3)(a) A person who employs or enters into an independent agent agreement with an individual required to obtain a mortgage loan originator license pursuant to the Residential Mortgage Licensing Act shall maintain a surety bond for each license that he, she, or it holds as required in subsection (1) of this section and shall also post one supplemental surety bond which shall cover all licenses held by such person. The supplemental surety bond posted by such person shall cover all mortgage loan originators who are employees or independent agents of such person. The supplemental surety bond shall be for the use of the State of Nebraska and any Nebraska resident who may have claims or causes of action against such person arising from a transaction involving a residential mortgage loan or against an individual who is a mortgage loan originator employed by, or in an independent agent relationship with, the person. The amount of such supplemental surety bond shall be as follows:

(i) The initial supplemental surety bond shall be in the amount of one hundred thousand dollars; and

(ii) Upon filing of the mortgage report of condition required by section 45-345, the person's supplemental surety bond shall be maintained in accordance with subdivision (2)(b) of this section. For purposes of calculating the amount of the bond that is required, the total dollar amount of the closed loans shall include all residential mortgage loans in this state closed by the person.

(b) A person who holds one or more installment loan licenses pursuant to the Nebraska Installment Loan and Sales Act and a mortgage banker license pursuant to the Residential Mortgage Licensing Act shall not be required to post and maintain a supplemental surety bond if such person meets the following conditions:

(i) The person maintains a surety bond as provided in subsection (1) of this section for each installment loan license the person holds;

(ii) The person maintains a mortgage banker surety bond as provided in section 45-724; and

(iii) The mortgage banker surety bond covers all transactions involving residential mortgage loans, including such transactions done pursuant to the person's installment loan license or licenses.

(4) Should the department determine that an installment loan licensee does not maintain a supplemental surety bond in the amount required by subsection (2) or (3) of this section, the department shall give written notification to the licensee requiring the licensee to increase the surety bond within thirty days to the amount required by subsection (2) or (3) of this section.

(5) The bond or a substitute bond required by subsection (1) of this section, applicable to all licensees under the Nebraska Installment Loan and Sales Act, shall remain in effect or the licensee shall immediately cease conducting licensable activity. If a licensee fails to maintain a surety bond as required under this section, the department may issue a notice of cancellation of the license in lieu of revocation proceedings.

Last Amended:
Reissue 2021; Supp. 2025

45-339
Branch offices; establish; application; fee.

(1) Licensees under the Nebraska Installment Loan and Sales Act may apply to establish branch offices, whether in this state, or in another state or United States territory, at which the licensable business activities of the licensee may be conducted.

(2) Such application shall be on a form prescribed and furnished by the director and shall be accompanied by a branch application fee, along with any processing fee allowed for by section 45-373. Such branch application fees shall be:

(a) Two hundred fifty dollars for an installment loan branch license; and

(b) One hundred dollars for an installment sales branch license.

45-340
License; renewal; application; fees; failure to renew; effect; denial; appeal.

(1) For the annual renewal of an original license under the Nebraska Installment Loan and Sales Act, the licensee shall file a renewal application containing such information as the director may require to indicate any material change in the information contained in the original application or succeeding renewal applications, along with a renewal fee and any processing fee allowed for by section 45-373.

(2) The renewal fee shall be:

(a) Two hundred fifty dollars for an installment loan license;

(b) One hundred twenty-five dollars for an installment loan branch license;

(c) One hundred fifty dollars for an installment sales license; and

(d) One hundred dollars for an installment sales branch license.

(3) If a licensee fails to renew such licensee's license and does not voluntarily surrender the license pursuant to this section, the department may issue a notice of expiration of the license to the licensee in lieu of revocation proceedings.

(4) Renewal of a license originally granted under the Nebraska Installment Loan and Sales Act may be denied by the director on the following grounds:

(a) Material misstatement in the application for a license;

(b) Willful failure to comply with any provision of the Nebraska Installment Loan and Sales Act relating to installment sales contracts or installment loans;

(c) Failure to continue to meet the conditions under which the original license was granted;

(d) Defrauding any buyer to the buyer's damage; or

(e) Fraudulent misrepresentation, circumvention, or concealment by the licensee through whatever subterfuge or device of any of the material particulars or the nature thereof required to be stated or furnished to a consumer.

(5) Any person, licensee, or applicant potentially aggrieved by an order of the director entered under this section may appeal the order. The appeal shall be in accordance with the Administrative Procedure Act.

Last Amended:

45-341
Revocation, suspension, cancellation, expiration, or surrender of license; conditions; effect; appeal.

(1) A licensee may voluntarily surrender a license at any time by delivering to the director written notice of the surrender. The department shall cancel the license following such surrender.

(2) The director may, following a hearing under the Administrative Procedure Act and the rules and regulations adopted and promulgated by the department under the Nebraska Installment Loan and Sales Act, suspend or revoke any license issued pursuant to the Nebraska Installment Loan and Sales Act. The director may also impose an administrative fine on the licensee for each separate violation of the Nebraska Installment Loan and Sales Act. The department shall remit fines collected under this subsection to the State Treasurer for distribution in accordance with Article VII, section 5, of the Constitution of Nebraska. The director may suspend or revoke a license or fine a licensee under this subsection if the director finds:

(a) The licensee has materially violated or demonstrated a continuing pattern of violating the Nebraska Installment Loan and Sales Act, rules and regulations adopted and promulgated under the Nebraska Installment Loan and Sales Act, any order issued under the Nebraska Installment Loan and Sales Act, or any other state or federal law applicable to the conduct of the licensee's business;

(b) A fact or condition exists which if such fact or condition had existed at the time of the original application for the license, would have warranted the director to deny the license application of the licensee;

(c) The licensee has violated a voluntary consent or compliance agreement which had been entered into with the director;

(d) The licensee has knowingly provided or caused to be provided to the director any false or fraudulent representation of a material fact or any false or fraudulent financial statement or suppressed or withheld from the director any information which, if submitted by the licensee, would have resulted in denial of the license application of the licensee;

(e) The licensee has refused to permit an examination of the licensee by the director or failed to comply with a notice of investigation or inquiry pursuant to section 45-346 or failed to make any report required under section 45-345. Each day the licensee continues in violation of this subdivision constitutes a separate violation;

(f) The licensee has failed to maintain records as required by the director following written notice. Each day the licensee continues in violation of this subdivision constitutes a separate violation;

(g) The licensee knowingly has employed any individual or knowingly has maintained a contractual relationship with any individual acting as an agent, if such individual has been convicted of, pleaded guilty to, or was found guilty after a plea of nolo contendere to:

(i) A misdemeanor under any state or federal law which involves dishonesty or fraud or which involves any aspect of the installment sales business, installment loan business, mortgage banking business, or financial institution business; or

(ii) Any felony under state or federal law;

(h) The licensee has violated the written restrictions or conditions under which the license was issued;

(i) The licensee or, if the licensee is a business entity, one of the officers, directors, members, partners, or controlling shareholders was found guilty after a plea of nolo contendere to:

(i) A misdemeanor under any state or federal law which involves dishonesty or fraud or which involves any aspect of the installment sales business, installment loan business, mortgage banking business, or financial institution business; or

(ii) Any felony under state or federal law; or

(j) The licensee knowingly has employed any individual or knowingly has maintained a contractual relationship with any individual acting as an agent, if such individual is conducting activities requiring a mortgage loan originator license in this state without first obtaining such license.

(3) If a licensee is a partnership, limited liability company, association, or corporation, it shall be sufficient cause for the suspension or revocation of a license that any officer, director, or trustee of a licensed association or corporation or any member of a licensed partnership or limited liability company has so acted or failed to act as would be cause for suspending or revoking a license to such party as an individual.

(4) No license shall be denied, suspended, or revoked except after hearing in accordance with the Administrative Procedure Act. The director shall give a licensee at least ten days' written notice, in the form of an order to show cause, of the time and place of such hearing by either registered or certified mail addressed to the principal place of business in this state of such licensee. Such notice shall contain the grounds of complaint against the licensee. Any order suspending or revoking such license shall recite the grounds upon which the order is based. The order shall be entered upon the records of the director and shall not be effective until after thirty days' written notice thereof given after such entry forwarded by either registered or certified mail to the licensee at the principal place of business in this state of such licensee.

(5) Revocation, suspension, cancellation, expiration, or surrender of any license shall not impair or affect the obligation of any lawful contract entered into or acquired previously thereto by the licensee.

(6) Revocation, suspension, cancellation, expiration, or surrender of any license shall not affect civil or criminal liability for acts committed before the revocation, suspension, cancellation, expiration, or surrender or affect liability for any fines which may be levied against the licensee or any of the licensee's officers, directors, shareholders, partners, or members pursuant to the

Nebraska Installment Loan and Sales Act for acts committed before the revocation, suspension, cancellation, expiration, or surrender of the license.

(7) Whenever, for any cause, a license is revoked, the department shall not issue another license to the licensee unless the department is otherwise ordered by a court of competent jurisdiction to do so.

(8) At the request of the licensee or any other aggrieved person, the department shall prepare a written record which includes a transcript of the evidence, the findings with respect to the evidence, the order, and the reasons supporting the suspension, revocation, or denial of a license, and shall, after being paid for the cost of the written record, deliver to the licensee or other aggrieved person a copy of the written record in person or by certified or registered mail.

(9) Any person, licensee, or applicant potentially aggrieved by an order of the director entered under this section may appeal the order. The appeal shall be in accordance with the Administrative Procedure Act.

Last Amended:
Reissue 2021; Supp. 2025

45-342
Engage in business without license; penalty.

Any person who, by any device, subterfuge, or pretense whatsoever, engages in or continues any of the kinds of business or enterprise permitted to licensees by the Nebraska Installment Loan and Sales Act without having obtained the license required by the act, with intent to evade the provisions of the act, is guilty of a Class I misdemeanor.

Last Amended:
Reissue 2021; Supp. 2025

45-343
Main office or branch office; move or relocate; procedure.

A licensee may move its main office or may relocate a branch office from one location to another without obtaining a new license if the licensee gives notice thereof to the director through the Nationwide Mortgage Licensing System and Registry at least thirty days prior to such move and pays a filing fee of one hundred fifty dollars. The director may, at the director's discretion, hold a hearing on the relocation request, in accordance with the Administrative Procedure Act. The expense of any such hearing shall be paid by the licensee.

Last Amended:
Reissue 2021; Supp. 2025

45-344
Licensee; acquisition of control; approval or denial; procedure.

(1) No person acting personally or as an agent shall acquire control of any licensee under the Nebraska Installment Loan and Sales Act without first (a) giving thirty days' notice to the department on a form prescribed by the department of such proposed acquisition and (b) paying a filing fee of one hundred fifty dollars and any processing fee allowed under subsection (2) of section 45-373.

(2) The director, upon receipt of such notice, shall approve or deny the acquisition within thirty days.

(3) If the director does not deny the acquisition within such thirty-day time period, the acquisition shall become effective on the thirty-first day after the receipt of the notice, except that the director may extend the thirty-day period an additional thirty days if, in the director's judgment, any material information submitted is substantially inaccurate or the acquiring party has not furnished all the information required by the department.

(4) An acquisition may become effective prior to the expiration of the thirty-day period if the director issues written notice of the director's approval of such acquisition or the director's intent not to deny the acquisition.

(5)(a) The director may deny any proposed acquisition if:

(i) The financial condition of any acquiring person is such as might jeopardize the financial stability of the acquired licensee;

(ii) The character and general fitness of any acquiring person or of any of the proposed management personnel indicate that the acquired installment sales licensee or installment loan licensee would not be operated honestly, fairly, or efficiently within the purposes of the Nebraska Installment Loan and Sales Act; or

(iii) Any acquiring person neglects, fails, or refuses to furnish all information required by the department.

(b) The director shall notify the acquiring party in writing of denial of the acquisition. The notice shall provide a statement of the basis for the denial.

(c) Within fifteen business days after receipt of written notice of denial, the acquiring party may make a written request for a hearing on the proposed acquisition in accordance with the Administrative Procedure Act and rules and regulations adopted and promulgated by the department under the Nebraska Installment Loan and Sales Act. The director shall, by order, approve or deny the proposed acquisition on the basis of the record made at the hearing.

Last Amended:
Reissue 2021; Supp. 2025

45-345

Licensee; reports to director; when; breach of security of the system; notification; net worth requirements; provide information to borrower.

(1) A licensee shall notify the director through the Nationwide Mortgage Licensing System and Registry at least thirty days prior to the occurrence of any change of the licensee's name, trade name, or doing business as designation.

(2)(a) Except as provided in subdivisions (b) and (c) of this subsection, a licensee shall notify the director in writing or through the Nationwide Mortgage Licensing System and Registry within three business days from the time that the licensee becomes aware of any breach of the security of the system of computerized data owned or licensed by the licensee, which contains personal information about a Nebraska resident, or the unauthorized access to or use of such information about a Nebraska resident as a result of the breach.

(b) If a licensee would be required under Nebraska law to provide notification to a Nebraska resident regarding such incident, then the licensee shall provide a copy of such notification to the department prior to or simultaneously with the licensee's notification to the Nebraska resident.

(c) Notice required by this subsection may be delayed if a law enforcement agency determines that the notice will impede a criminal investigation. Notice shall be made in good faith, without unreasonable delay, and as soon as possible after the law enforcement agency determines that notification will no longer impede the investigation.

(d) For purposes of this subsection, the terms breach of the security of the system and personal information have the same meaning as in section 87-802.

(3) A licensee shall maintain the minimum net worth required by section 45-337 while a license issued to the licensee under the Nebraska Installment Loan and Sales Act is in effect. The minimum net worth shall be proven by an annual audit conducted by a certified public accountant. A licensee shall submit a copy of the annual audit to the director as required by section 45-337 or upon written request of the director. If a licensee fails to maintain the required minimum net worth, the department may issue a notice of cancellation of the license in lieu of revocation proceedings.

(4)(a) Every licensee shall, at the time any loan is made, give to the borrower, or if there are two or more borrowers, to one of the borrowers, a statement in the English language disclosing in clear and distinct terms the information required to be disclosed under the federal Consumer Credit Protection Act.

(b) The licensee shall also give to the borrower a copy of any writing evidencing a loan if the writing requires or provides for the signature of the borrower. The writing evidencing the borrower's obligation to pay a loan shall contain a clear and conspicuous notice in form and content substantially as follows:

NOTICE TO CONSUMER: 1. Do not sign this paper before you read it. 2. You are entitled to a copy of this paper. 3. You may prepay the unpaid balance at any time without penalty and may be entitled to receive a refund of unearned charges in accordance with law.

(5)(a) Every licensee shall disclose to the borrower, in connection with any refinance of an existing installment loan, whether or not the borrower will receive a net tangible benefit through such refinance. Such disclosure shall be on a worksheet prescribed by the director or on a form prescribed by the director substantially similar to such worksheet.

(b) For purposes of this subsection, net tangible benefit means a benefit of a refinance that will be in the financial interests of the borrower. Net tangible benefit includes, but is not limited to:

(i) Obtaining a lower interest rate;

(ii) Obtaining a lower monthly payment, including principal, interest, taxes, and insurance;

(iii) Obtaining a shorter amortization schedule;

(iv) Changing from an adjustable interest rate to a fixed interest rate;

(v) Eliminating a negative amortization feature;

(vi) Eliminating a balloon payment feature;

(vii) Receiving cash out from the new loan in an amount greater than all closing costs incurred in connection with such loan;

(viii) Avoiding foreclosure;

(ix) Eliminating private insurance; and

(x) Consolidating other existing loans into a new loan.

(6) All licensees under the Nebraska Installment Loan and Sales Act shall, on or before March 1 of each year, file with the department a report of the licensee's earnings and operations for the preceding calendar year, the licensee's assets at the end of the year, and any other relevant information as the department may reasonably require. The report shall be made under oath and shall be in the form and manner prescribed by the department.

(7) All installment loan licensees shall submit a mortgage report of condition as required by section 45-726 on or before a date or dates established by rule, regulation, or order of the director.

(8) Upon written request of a borrower, the licensee shall provide a written statement of the dates and amounts of payments made and the amounts of any default and deferment charges assessed preceding the month in which the request is received and the total amount unpaid as of the end of the period covered by the statement and a copy of the loan agreement and security agreement, and a facsimile of any insurance certificate issued as part of the transaction, if applicable. The licensee may charge a reasonable fee for such copies, not to exceed fifty cents per page.

(9) A licensee shall answer in writing, within ten business days after receipt, any written request for payoff information from a borrower or a borrower's representative. This service shall be

provided without charge to the borrower, except that when such information is provided upon request within sixty days after the fulfillment of a previous request, a processing fee of up to ten dollars may be charged for the subsequent request.

Last Amended:
Reissue 2021; Supp. 2025; Laws 2026, LB717, § 29.
Operative Date: July 18, 2026

45-346
Inspections, examinations, investigations; department; director; powers and duties; administrative fines; costs.

(1) The department shall be charged with the duty of inspecting the business, records, and accounts of all persons who engage in business activities requiring a license under the Nebraska Installment Loan and Sales Act. The department may examine or investigate complaints about or reports of alleged violations by a licensee made to the department. The director shall have the power to appoint examiners who shall, under the director's direction, investigate the installment sales contracts, installment loans, and business and examine the books and records of licensees when the director shall so determine. Such examinations shall be conducted as often as determined by the director.

(2) The director or the director's duly authorized representative shall have the power to make such investigations as the director or authorized representative shall deem necessary, and to the extent necessary for this purpose, the director or authorized representative may examine a licensee or any other person and shall have the power to compel the production of all relevant books, records, accounts, and documents.

(3) The expenses of the director incurred in the examination of the books and records of licensees shall be charged to the licensees as set forth in sections 8-605 and 8-606. The director may charge the costs of an investigation of a nonlicensed person to such person, and such costs shall be paid within thirty days after receipt of billing.

(4) Upon receipt by a licensee of a notice of investigation or inquiry request for information from the department, the licensee shall respond within twenty-one calendar days. Each day a licensee fails to respond as required by this subsection shall constitute a separate violation.

(5) If the director finds, after notice and opportunity for hearing in accordance with the Administrative Procedure Act, that any person has willfully and intentionally violated any provision of the Nebraska Installment Loan and Sales Act, any rule or regulation adopted and promulgated under the Nebraska Installment Loan and Sales Act, or any order issued by the director under the Nebraska Installment Loan and Sales Act, the director may order such person to pay (a) an administrative fine of not more than five thousand dollars for each separate violation and (b) the costs of investigation. The department shall remit fines collected under this subsection to the State Treasurer for distribution in accordance with Article VII, section 5, of the Constitution of Nebraska.

(6) If a person fails to pay an administrative fine and the costs of investigation ordered pursuant to subsection (5) of this section, a lien in the amount of such fine and costs may be imposed upon all assets and property of such person in this state and may be recovered in a civil action by the director. The lien shall attach to the real property of such person when notice of the lien is filed and indexed against the real property in the office of the register of deeds in the county where the real property is located. The lien shall attach to any other property of such person when notice of the lien is filed against the property in the manner prescribed by law. Failure of the person to pay such fine and costs shall constitute a separate violation of the Nebraska Installment Loan and Sales Act.

Last Amended:
Reissue 2021; Supp. 2025

45-346.01
Repealed. Laws 2025, LB474, § 114.

45-347
Installment loans; interest; subject to act.

The payment in money, credit, goods, or things in action, as consideration for any sale or assignment of, or order for, the payment of wages, salary, commission, or other compensation for services, whether earned or to be earned, shall, for purposes of regulation under the Nebraska Installment Loan and Sales Act, be deemed a loan secured by such assignment, and the amount by which the assigned compensation exceeds the amount of the consideration actually paid, shall, for the purposes of regulation under the act, be deemed interest or charges upon the loan from the date of payment to the date the compensation is payable. Such transaction shall be governed by and be subject to the act.

Last Amended:
Reissue 2021; Supp. 2025

45-348
Installment loan licensee; advance payments; application of payments.

Every installment loan licensee shall permit payment to be made in advance in any amount equal to one or more full installments on any loan contract at any time during regular business hours, but the licensee may apply such payment first to all accrued charges in full up to the date of such payment.

Last Amended:
Reissue 2021; Supp. 2025

45-349
Installment loans; interest rate authorized; charges permitted; computation; application of payments; violations; restrictions.

(1) Except as provided in section 45-350 and subsection (6) of this section, every installment loan licensee may make loans and may contract for and receive on such loans charges at a rate not exceeding twenty-four percent per annum on that part of the unpaid principal balance on any loan not in excess of one thousand dollars, and twenty-one percent per annum on any remainder of such unpaid principal balance. Except for loans secured by mobile homes, an installment loan licensee may not make loans for a period in excess of one hundred forty-five months. Unless otherwise allowed for by law, charges on loans made under the Nebraska Installment Loan and Sales Act shall not be paid, deducted, or received in advance. The contracting for, charging of, or receiving of charges as provided for in subsection (2) of this section shall not be deemed to be the payment, deduction, or receipt of such charges in advance.

(2) When the loan contract requires repayment in substantially equal and consecutive monthly installments of principal and charges combined, the installment loan licensee may, at the time the loan is made, precompute the charges at the agreed rate on scheduled unpaid principal balances according to the terms of the contract and add such charges to the principal of the loan. Every payment may be applied to the combined total of principal and precomputed charges until the contract is fully paid. All payments made on account of any loan except for default and deferment charges shall be deemed to be applied to the unpaid installments in the order in which the unpaid installments are due. The portion of the precomputed charges applicable to any particular month of the contract, as originally scheduled or following a deferment, shall be that proportion of such precomputed charges, excluding any adjustment made for a first installment period of more than one month and any adjustment made for deferment, which the balance of the contract scheduled to be outstanding during such month bears to the sum of all monthly balances originally scheduled to be outstanding by the contract. This section shall not limit or restrict the manner of calculating charges, whether by way of add-on, single annual rate, or otherwise, if the rate of charges does not exceed what is permitted by this section. Charges may be contracted for and earned at a single annual rate, except that the total charges from such rate shall not be greater than the total charges from the several rates otherwise applicable to the different portions of the unpaid balance according to subsection (1) of this section. All loan contracts made pursuant to this subsection are subject to the following adjustments:

(a) Notwithstanding the requirement for substantially equal and consecutive monthly installments, the first installment period may not exceed one month by more than twenty-one days and may not fall short of one month by more than eleven days. The charges for each day exceeding one month shall be one-thirtieth of the charges which would be applicable to a first installment period of one month. The charge for extra days in the first installment period may be added to the first installment and such charges for such extra days shall be excluded in computing any rebate;

(b) If prepayment in full by cash, a new loan, or otherwise occurs before the first installment due date, the charges shall be recomputed at the rate of charges contracted for in accordance with this section upon the actual unpaid principal balance of the loan for the actual time outstanding by applying the payment, or payments, first to charges at the agreed rate and the remainder to the principal. The amount of charges so computed shall be retained in lieu of all precomputed charges;

(c) If a contract is prepaid in full by cash, a new loan, or otherwise after the first installment due date, the borrower shall receive a rebate of an amount which is not less than the amount obtained by applying to the unpaid principal balances as originally scheduled or, if deferred, as deferred,

for the period following prepayment, according to the actuarial method, the rate of charge contracted for in accordance with this section. The licensee may round the rate of charge to the nearest one-half of one percent if such procedure is not consistently used to obtain a greater yield than would otherwise be permitted. Any default and deferment charges which are due and unpaid may be deducted from any rebate. No rebate shall be required for any partial prepayment. No rebate of less than one dollar need be made. Acceleration of the maturity of the contract shall not in itself require a rebate. If judgment is obtained before the final installment date, the contract balance shall be reduced by the rebate which would be required for prepayment in full as of the date judgment is obtained;

(d) If any installment on a precomputed or interest-bearing loan is unpaid in full for ten or more consecutive days, Sundays and holidays included, after it is due, the licensee may charge and collect a default charge not exceeding an amount equal to five percent of such installment. If any installment payment is made by a check, draft, or similar signed order which is not honored because of insufficient funds, no account, or any other reason except an error of a third party to the loan contract, the licensee may charge and collect a fifteen-dollar bad check charge. Such default or bad check charges may be collected when due or at any time thereafter;

(e) If, as of an installment due date, the payment date of all wholly unpaid installments is deferred one or more full months and the maturity of the contract is extended for a corresponding period, the licensee may charge and collect a deferment charge not exceeding the charge applicable to the first of the installments deferred, multiplied by the number of months in the deferment period. The deferment period is that period during which no payment is made or required by reason of such deferment. The deferment charge may be collected at the time of deferment or at any time thereafter. The portion of the precomputed charges applicable to each deferred balance and installment period following the deferment period shall remain the same as that applicable to such balance and periods under the original loan contract. No installment on which a default charge has been collected, or on account of which any partial payment has been made, shall be deferred or included in the computation of the deferment charge unless such default charge or partial payment is refunded to the borrower or credited to the deferment charge. Any payment received at the time of deferment may be applied first to the deferment charge and the remainder, if any, applied to the unpaid balance of the contract, except that if such payment is sufficient to pay, in addition to the appropriate deferment charge, any installment which is in default and the applicable default charge, it shall be first so applied and any such installment shall not be deferred or subject to the deferment charge. If a loan is prepaid in full during the deferment period, the borrower shall receive, in addition to the required rebate, a rebate of that portion of the deferment charge applicable to any unexpired full month or months of such deferment period; and

(f) If two or more full installments are in default for one full month or more at any installment date and if the contract so provides, the installment loan licensee may reduce the contract balance by the rebate which would be required for prepayment in full as of such installment date and the amount remaining unpaid shall be deemed to be the unpaid principal balance and thereafter in lieu of charging, collecting, receiving, and applying charges as provided in this subsection, charges may be charged, collected, received, and applied at the agreed rate as otherwise provided by this section until the loan is fully paid.

(3) The charges, as referred to in subsection (1) of this section, shall not be compounded. The charging, collecting, and receiving of charges as provided in subsection (2) of this section shall not be deemed compounding. If part or all of the consideration for a loan contract is the unpaid principal balance of a prior loan, then the principal amount payable under such loan contract may include any unpaid charges on the prior loan which have accrued within sixty days before the making of such loan contract and may include the balance remaining after giving the rebate required by subsection (2) of this section. Except as provided in subsection (2) of this section, charges shall (a) be computed and paid only as a percentage per month of the unpaid principal balance or portions thereof and (b) be computed on the basis of the number of days actually elapsed. For purposes of computing charges, whether at the maximum rate or less, a month shall be that period of time from any date in a month to the corresponding date in the next month but if there is no such corresponding date then to the last day of the next month, and a day shall be considered one-thirtieth of a month when computation is made for a fraction of a month.

(4) Except as provided in subsections (5) and (6) of this section, in addition to that provided for under the Nebraska Installment Loan and Sales Act, no further or other amount whatsoever shall be directly or indirectly charged, contracted for, or received. If any amount, in excess of the charges permitted, is charged, contracted for, or received, the loan contract shall not on that account be void, but the installment loan licensee shall have no right to collect or receive any interest or other charges whatsoever. If such interest or other charges have been collected or contracted for, the licensee shall refund to the borrower all interest and other charges collected and shall not collect any interest or other charges contracted for and thereafter due on the loan involved, as liquidated damages, and the installment loan licensee or its assignee, if found liable, shall pay the costs of any action relating thereto, including reasonable attorney's fees. No installment loan licensee shall be found liable under this subsection if it shows by a preponderance of the evidence that the violation was not intentional and resulted from a bona fide error notwithstanding the maintenance of procedures reasonably adopted to avoid any such error.

(5) A borrower may be required to pay all reasonable expenses incurred in connection with the making, closing, disbursing, extending, readjusting, or renewing of loans. Such expenses may include abstracting, recording, releasing, and registration fees; premiums paid for nonfiling insurance; premiums paid on insurance policies covering tangible personal property securing the loan; amounts charged for a debt cancellation contract or a debt suspension contract, as agreed upon by the parties, if the debt cancellation contract or debt suspension contract is a contract of a financial institution or installment loan licensee and such contract is sold directly by such financial institution or licensee or by an unaffiliated, nonexclusive agent of such financial institution or licensee in accordance with 12 C.F.R. part 37, as such part existed on January 1, 2026, and the financial institution or installment loan licensee is responsible for the unaffiliated, nonexclusive agent's compliance with such part; title examinations; credit reports; survey; taxes or charges imposed upon or in connection with the making and recording or releasing of any mortgage; amounts charged for a guaranteed asset protection waiver; and fees and expenses charged for electronic title and lien services. Except as provided in subsection (6) of this section, a borrower may also be required to pay a nonrefundable loan origination fee not to exceed the lesser of five hundred dollars or an amount equal to seven percent of that part of the original principal balance of any loan not in excess of two thousand dollars and five percent on that part of the original principal balance in excess of two thousand dollars, if the installment loan licensee has not made another loan to the borrower within the previous twelve months. If the licensee has made another

loan to the borrower within the previous twelve months, a nonrefundable loan origination fee may only be charged on new funds advanced on each successive loan. Such reasonable initial charges may be collected from the borrower or included in the principal balance of the loan at the time the loan is made and shall not be considered interest or a charge for the use of the money loaned.

(6)(a) Loans secured solely by real property that are not made pursuant to subdivision (11) of section 45-101.04 on real property shall not be subject to the limitations on the rate of interest provided in subsection (1) of this section or the limitations on the nonrefundable loan origination fee under subsection (5) of this section if (i) the principal amount of the loan is seven thousand five hundred dollars or more and (ii) the sum of the principal amount of the loan and the balances of all other liens against the property do not exceed one hundred percent of the appraised value of the property. Acceptable methods of determining appraised value shall be made by the department pursuant to rule, regulation, or order.

(b) An origination fee on such loan shall be computed only on the principal amount of the loan reduced by any portion of the principal that consists of the amount required to pay off another loan made under this subsection by the same licensee.

(c) A prepayment penalty on such loan shall be permitted only if (i) the maximum amount of the penalty to be assessed is stated in writing at the time the loan is made, (ii) the loan is prepaid in full within two years from the date of the loan, and (iii) the loan is prepaid with money other than the proceeds of another loan made by the same licensee. Such prepayment penalty shall not exceed six months' interest on eighty percent of the original principal balance computed at the agreed rate of interest on the loan.

(d) An installment loan licensee making a loan pursuant to this subsection may obtain an interest in any fixtures attached to such real property and any insurance proceeds payable in connection with such real property or the loan.

(e) For purposes of this subsection, principal amount of the loan means the total sum owed by the borrower including, but not limited to, insurance premiums, loan origination fees, or any other amount that is financed, except that for purposes of subdivision (6)(b) of this section, loan origination fees shall not be included in calculating the principal amount of the loan.

Last Amended:
Supp. 2025; Laws 2026; LB717, § 30.
Operative Date: February 26, 2026

45-350
Installment loans; rate of interest; additional charges authorized; loan period; violation; effect.

(1) Installment loan licensees may charge, contract for, or receive any amount or rate of interest permitted by section 45-101.03, 45-101.04, or 45-349 upon any loan or upon any part or all of any aggregate indebtedness of the same person. Except as provided in subsection (2) of this section, the charging, contracting for, or receiving of a rate of interest permitted by section 45-101.04 does not exempt the licensee from compliance with the Nebraska Installment Loan and Sales Act.

(2)(a) Loans made by an installment loan licensee pursuant to subdivision (4) of section 45-101.04 are not subject to the Nebraska Installment Loan and Sales Act if such loans are not made on real property.

(b) Loans made by an installment loan licensee pursuant to subdivision (11) of section 45-101.04 on real property are not subject to the Nebraska Installment Loan and Sales Act. An installment loan licensee making such loans shall comply with and be subject to the Residential Mortgage Licensing Act with respect to such loans, except that the installment loan licensee shall not be required to obtain a mortgage banker license under the Residential Mortgage Licensing Act.

(c) Any mortgage loan originator who works as an employee or independent agent of an installment loan licensee shall be required to obtain a mortgage loan originator license and shall be subject to the Residential Mortgage Licensing Act.

(3) Except as provided in subdivision (2)(a) of section 45-349, no installment loan licensee shall enter into any loan contract under the Nebraska Installment Loan and Sales Act under which the borrower agrees to make any payment of principal more than thirty-six calendar months from the date of making such contract when the principal balance is not more than three thousand dollars. Every loan contract precomputed pursuant to subsection (2) of section 45-349 shall provide for repayment of principal and charges in installments which shall be payable at approximately equal periodic intervals of time and so arranged that no installment is substantially greater in amount than any preceding installment. When necessary in order to facilitate payment in accordance with the borrower's principal source of income or when the loan contract is not precomputed pursuant to subsection (2) of section 45-349, the payment schedule may reduce or omit installment payments. Any loan contract made in violation of this section, either knowingly or without the exercise of due care to prevent the violation, shall not on that account be void, but the licensee has no right to collect or receive any interest or charges on such loan. If any interest or other charges have been collected or contracted for, the installment loan licensee shall refund to the borrower all interest and other charges collected and shall not collect thereafter any interest or other charges contracted for and thereafter due on the loan involved, as liquidated damages, and the installment loan licensee or its assignee, if found liable, shall pay the costs of any action relating thereto, including reasonable attorney's fees. No installment loan licensee shall be found liable under this subsection if it shows by a preponderance of the evidence that the violation was not intentional and resulted from a bona fide error notwithstanding the maintenance of procedures reasonably adopted to avoid any such error.

Last Amended:
Reissue 2021; Supp. 2025

45-351
Installment loan licensee; contacts with borrower; restrictions.

(1) Except as otherwise provided by the Nebraska Installment Loan and Sales Act or other law, an installment loan licensee shall not contact any individual who is not living, residing, or present in the household of the borrower regarding the borrower's obligation to pay a debt, other than the borrower's spouse, the borrower's attorney, another creditor, or a credit reporting agency.

(2) The borrower may waive the benefits of this section at any time by giving consent if such consent is given at a time subsequent to the date the debt arises.

Last Amended:
Reissue 2021; Supp. 2025

45-351.01
Repealed. Laws 2025, LB474, § 114.

45-352
Installment loan licensee; permitted contacts.

(1) Section 45-351 shall not prohibit the licensee from:

(a) Contacting any person in order to discover property belonging to the borrower that may be seized to satisfy a debt that has been reduced to judgment;

(b) Making amicable demand and filing suit on the debt; or

(c) Contacting persons related to the borrower if permission is specifically given in writing at the time the debt arises or at any time after such debt arises.

(2) An installment loan licensee may contact any person without the borrower's consent:

(a) To ascertain information relating to a borrower's credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living which is used or expected to be used or collected in whole or in part for the purpose of serving as a factor in establishing the borrower's eligibility for credit or insurance if such contacts are not designed to collect a delinquent debt; or

(b) To locate the borrower when the licensee has reason to believe the borrower has changed his or her employment or has moved from his or her last-known address.

Last Amended:
Reissue 2021; Supp. 2025

45-353
Installment loan; agreement; borrower; default; procedure.

(1) An agreement of the parties to a loan, with respect to default on the part of the borrower, is enforceable only to the extent that:

(a) The borrower fails to make a payment on the loan or other charges required by the agreement; or

(b) The prospect of payment, performance, or realization of collateral is significantly impaired. The burden of establishing the prospect of significant impairment is on the installment loan licensee.

(2) If the borrower has defaulted on his or her promise to pay and if he or she has given specific notice in writing, by registered or certified mail, instructing the licensee to cease further contacts with the borrower in regard to the indebtedness, the installment loan licensee shall, after such notice, except as provided in section 45-352, limit contacts to one notice per month by mail. No notice shall be designed to threaten action not otherwise permitted by law.

(3) With respect to a loan, after a borrower has been in default for ten days for failure to make a required payment, an installment loan licensee may give the borrower the notice described in this section. An installment loan licensee gives notice to the borrower under this section when it delivers the notice to the borrower or delivers or mails the notice to the last-known address of the borrower's residence.

(4) The notice shall be in writing and shall conspicuously state:

(a) The name, address, and telephone number of the installment loan licensee to which payment is to be made;

(b) A brief identification of the loan;

(c) The borrower's right to cure the default;

(d) The amount of payment and date by which payment must be made to cure the default; and

(e) That any credit insurance issued in connection with the loan contract may be canceled unless the borrower cures the default.

(5) With respect to a loan, after a default consisting only of the borrower's failure to make a required payment, an installment loan licensee may neither accelerate maturity of the unpaid balance of the obligation nor take possession of collateral, except voluntarily surrendered collateral, because of such default until twenty days after a notice of the borrower's right to cure is given. The borrower shall have twenty days after the notice is given to cure any default consisting of a failure to make the required payment by tendering the amount of all unpaid sums due at the time of the tender, without acceleration, plus any unpaid charges. Cure restores the borrower to his or her rights under the agreement as though the default had not occurred.

(6) With respect to defaults on the same obligation after an installment loan licensee has once given a notice of the borrower's right to cure, the borrower shall have no further right to cure and the installment loan licensee has no obligation to proceed against the borrower or the collateral.

(7) Upon default by a borrower with respect to a loan, unless the borrower voluntarily surrenders possession of the collateral to the licensee, the licensee may take possession of the collateral without judicial process only if possession can be taken without entry into a dwelling or a locked, unoccupied motor vehicle, and without the use of force or other breach of the peace.

Last Amended:
Reissue 2021; Supp. 2025

45-354
Installment loan; borrower; liability for deficiency.

(1) A borrower is not liable for a deficiency unless the licensee has disposed of the collateral in good faith and in a commercially reasonable manner.

(2) If the installment loan licensee takes possession or voluntarily accepts surrender of goods in which the licensee has a security interest to secure a loan and at the time thereof the unpaid balance due on the loan is three thousand dollars or less, the borrower is not personally liable to the installment loan licensee for the unpaid balance of the debt arising from the loan and the licensee's duty to dispose of the collateral is governed by the provisions on disposition of collateral, article 9, Uniform Commercial Code.

(3) The borrower may be liable in damages to the installment loan licensee if the borrower has wrongfully damaged the collateral or if, after default, failure to cure, and demand, the borrower has wrongfully failed to make the collateral available to the installment loan licensee.

(4) If the installment loan licensee elects to bring an action against the borrower for a debt arising from a loan, when under this section the installment loan licensee would not be entitled to a deficiency judgment if the installment loan licensee took possession of the collateral, and obtains judgment, (a) the installment loan licensee may not take possession of the collateral and (b) the collateral is not subject to levy or sale on execution or similar proceedings pursuant to the judgment.

Last Amended:
Reissue 2021; Supp. 2025

45-355
Installment loan; liability of other parties.

(1) No individual, other than the spouse of the borrower, is obligated as a cosigner, comaker, guarantor, endorser, surety, or similar party with respect to a loan unless, before or contemporaneously with signing any separate agreement of loan or any writing setting forth the terms of the borrower's agreement, the individual receives a separate written notice that contains a completed identification of the loan the individual may have to pay and reasonably informs the individual of the obligation with respect to it.

(2) Such notice shall be in the form prescribed by the department.

(3) An individual entitled to notice under this section shall also be given a copy of any writing setting forth the terms of the borrower's agreement and of any separate agreement of obligation signed by the individual entitled to the notice.

Last Amended:

Reissue 2021; Supp. 2025

45-356
Installment loans; assignment of wages; instruments in blank.

(1) No licensee shall receive any security agreement or assignment of salary or wages signed in blank. All blank spaces shall be filled in with ink or typewritten or printed with the proper names and amounts showing the name of the person by whom the individual making the conveyance or assignment is employed. No assignment or order for wages is valid if it contains an amount in excess of the sum borrowed together with the interest and charges as provided in the Nebraska Installment Loan and Sales Act.

(2) No assignment of or order for wages to secure a loan or advancement is valid when made by a married man or woman unless the written consent of the wife or husband to the making of such loan is attached thereto.

(3) No licensee shall take a power of attorney, or any instrument signed by an attorney in fact and not personally, or any instrument signed in which blanks are left to be filled after execution.

Last Amended:
Reissue 2021; Supp. 2025

45-357
Repayment of loan; licensee; duties.

Within thirty days after repayment of the loan in full, the licensee shall mark plainly every obligation or copy of the obligation and security or copy of the security signed by any obligor with the word Paid or Canceled and shall release any mortgage, trust deed, or lien, restore any pledge, and cancel and return any note or copy of the note and any assignment or copy of the assignment given to the licensee. For purposes of this section, a copy shall meet the requirements of section 25-12,112.

Last Amended:
Reissue 2021; Supp. 2025

45-358
Borrower; right to action; licensee; judgment; effect.

Nothing in sections 45-351 and 45-353 shall limit a borrower's right to bring an action for damages. When the licensee has filed suit and obtained judgment, the licensee shall be permitted to resume contacts with the borrower against whom judgment has been obtained.

Last Amended:
Supp. 2025

45-359
Installment loan; insurance upon security; licensee may require; restrictions; refunds, when.

(1) The following types of insurance or one or more of the following types of insurance may be written in connection with loans made by installment loan licensees under the Nebraska Installment Loan and Sales Act:

(a) Fire, theft, windstorm, or comprehensive, including fire, theft, and windstorm, fifty dollars or more deductible collision, and bodily injury liability and property damage liability upon motor vehicles;

(b) Fire and extended-coverage insurance upon real property;

(c) Fire and extended-coverage insurance upon tangible personal property, limited to the principal amount of the loan;

(d) Involuntary unemployment or job protection insurance. In the event of a renewal of a loan contract, this type of insurance shall be canceled and a refund of the unearned premium credited or made before new insurance of this type may be rewritten. Such insurance shall not be required as a condition precedent to the making of such loan; and

(e) Life, health, and accident insurance or any of them, except that the amount of such insurance shall not exceed the total amount to be repaid under the loan contract and the term shall not extend beyond the final maturity date of the loan contract. In the event of a renewal of a loan contract, this type of insurance shall be canceled and a refund of the unearned premium credited or made before new insurance of this type may be written in connection with such loan. Such insurance shall not be required as a condition precedent to the making of such loan.

(2) In addition to the types of insurance written under subsection (1) of this section by licensees under the act, any other type of insurance or motor club service as defined in section 44-3707 may be provided for the benefit of a licensee's borrower or the borrower's immediate family whether or not in connection with a loan, except that such insurance or motor club service shall not be required as a condition precedent to the making of any loan. Nothing in this subsection alters or eliminates any insurance licensing requirements or certificate of authority requirements under the Motor Club Services Act.

(3) Notwithstanding sections 45-349 and 45-350, any gain or advantage, in the form of commission or otherwise, to the licensee or to any employee, affiliate, or associate of the licensee from such insurance or motor club service or the sale thereof shall not be deemed to be an additional or further charge in connection with the loan contract. The insurance premium or motor club service contract fee may be collected from the borrower or financed through the loan contract at the time the loan is made.

(4)(a) Insurance permitted under this section shall be obtained through a duly licensed insurance agent, agency, or broker. Premiums shall not exceed those fixed by law or current applicable manual rates. Insurance written, as authorized by this section, may contain a mortgage clause or other appropriate provision to protect the insurable interest of the licensee.

(b) Motor club services permitted under this section shall be obtained through a motor club which holds a certificate of authority under the Motor Club Services Act.

(5) In the event of a renewal of a loan contract, any insurance or motor club service sold pursuant to this section shall be canceled and (a) a refund of the unearned premium or motor club service contract fee credited or made before new insurance or motor club service of the same type as that being canceled may be rewritten or (b) the holder of the loan contract shall send notice to the buyer within fifteen business days after cancellation of the name, address, and telephone number of the insurance company or motor club which issued the insurance contract or motor club service contract or the party responsible for any refund and notice that the buyer may be eligible for a refund. A copy of such notice shall be retained by the holder of the loan contract.

(6) If any insurance or motor club service sold pursuant to this section is canceled or the premium or motor club service contract fee adjusted during the term of the loan contract, any refund of the insurance premium or motor club service contract fee plus the unearned interest thereon received by the holder shall be credited by the holder to the loan contract or otherwise refunded, except to the extent applied toward payment for similar insurance or motor club service protecting the interests of the buyer and the holder or either of them.

(7) If any insurance or motor club service sold pursuant to this section is canceled due to the payment of all sums for which the buyer is liable under a loan contract, the holder of the loan contract shall, upon receipt of payment of all sums due, send notice to the buyer within fifteen business days after payment of the sums due of the name, address, and telephone number of the insurance company or motor club which issued the insurance contract or motor club service contract or the party responsible for any refund and notice that the buyer may be eligible for a refund. A copy of such notice shall be retained by the holder of the loan contract. This subsection does not apply if the holder of the loan contract previously credited the refund of the insurance premium or motor club service contract fee to the loan contract or otherwise refunded the insurance premium or motor club service contract fee to the buyer.

(8) The licensee shall, at the time the loan is made, give to the borrower, or if more than one, to one of them, a statement concerning any insurance procured by or through the licensee, which includes the amount of any premium which the borrower has paid or is obligated to pay, the expiration date of the policy, and a concise description of the risks insured. If a borrower procures insurance by or through a licensee, the licensee shall deliver to the borrower within fifteen days after the making of the loan an executed copy of the insurance policy or certificate of insurance.

Last Amended:
Supp. 2025

45-360
Preauthorized loans; authorized; billing cycle.

(1) Licensees holding an active installment loan license may make preauthorized loans. Preauthorized loan means a loan made by a licensee pursuant to an agreement between the licensee and the borrower whereby:

(a) The licensee may permit the borrower to obtain advances of money from the licensee from time to time or the licensee may advance money on behalf of the borrower from time to time as directed by the borrower;

(b) The amount of each advance and permitted charge and cost is debited to the borrower's account and payments and other credits are credited to the same account;

(c) The charges are computed on the unpaid principal balance or balances of the account from time to time;

(d) The borrower has the privilege of paying the account in full at any time or, if the account is not in default, in monthly installments or fixed or determinable amounts as provided in the agreement; and

(e) The loan agreement expressly states that it covers preauthorized loans. Preauthorized loan does not mean a transaction, resulting in either a credit or a debit to the borrower's account, which is initiated by the use or application of a plastic, metal, or other type of credit or transaction card.

(2) For purposes of computations relating to preauthorized loans made pursuant to the Nebraska Installment Loan and Sales Act, billing cycle means the time interval between periodic billing dates. A billing cycle shall be considered monthly if the closing date of the cycle is the same date each month or does not vary by more than four days from such date.

Last Amended:
Supp. 2025

45-361
Preauthorized loans; requirements.

(1) A licensee may make preauthorized loans and may contract for and receive charges on such loans as set forth in subsection (1) of section 45-349, subject to the following requirements:

(a) A licensee shall not compound charges by adding any unpaid charges authorized by section 45-349 or this section to the unpaid principal balance of the borrower's account, except that the unpaid principal balance may include additional charges for credit life insurance or credit disability insurance provided in connection with the preauthorized loan, subject to the requirements and restrictions contained in section 45-362;

(b) Charges authorized by section 45-349 or this section shall be deemed not to exceed the maximum charges permitted by such sections if such charges are computed in each billing cycle by any of the following methods:

(i) By converting each graduated monthly rate to a daily rate and multiplying such daily rate by the applicable portion of the daily unpaid principal balance of the account, in which case each daily rate is determined by multiplying the authorized monthly rate by twelve and dividing by three hundred sixty-five;

(ii) By multiplying each graduated monthly rate by the applicable portion of the average daily unpaid principal balance of the account in the billing cycle, in which case the average daily unpaid principal balance is the sum of the amount unpaid each day during the cycle divided by the number of days in the cycle; or

(iii) By converting each graduated monthly rate to a daily rate and multiplying such daily rate by the applicable portion of the average daily unpaid principal balance of the account in the billing cycle, in which case each daily rate is determined by multiplying the authorized monthly rate by twelve and dividing by three hundred sixty-five, and the average daily unpaid principal balance is the sum of the amount unpaid each day during the cycle divided by the number of days in the cycle; and

(c) For each method of computation set forth in this section, the billing cycle shall be monthly and the unpaid principal balance on any day shall be determined by adding to any balance unpaid as of the beginning of that day all advances and other permissible amounts charged to the borrower and deducting all payments and other credits made or received that day.

(2) The borrower under a preauthorized loan may at any time pay all or any part of the unpaid balance in his or her account, or, if the account is not in default, the borrower may pay the unpaid principal balance in monthly installments. Minimum monthly payment requirements shall be determined by the licensee and set forth in the preauthorized loan agreement, except that the minimum monthly payment shall not be less than one and one-half percent of the average daily unpaid principal balance of an account having an average daily balance of more than three thousand dollars nor less than two percent of the average daily unpaid principal balance of an account having an average daily balance of three thousand dollars or less.

(3) A licensee may retain any security interest, including a mortgage on real property, until the preauthorized account is terminated.

(4) Subsection (4) of section 45-345, subsection (3) of section 45-350, and section 45-357 shall not apply to preauthorized loans.

(5) The department may approve record-keeping systems for licensees and may prescribe policies and procedures necessary to the administration of preauthorized loans made pursuant to the Nebraska Installment Loan and Sales Act.

Last Amended:
Supp. 2025

45-362
Preauthorized loans; insurance.

In addition to the charges permitted under section 45-361, a licensee may contract for and receive the fees, costs, and expenses permitted by the Nebraska Installment Loan and Sales Act on other loans, subject to all the conditions and restrictions set forth in the act with the following variations:

(1) If credit life or disability insurance is provided and if the insured dies or becomes disabled when there is an outstanding preauthorized loan indebtedness, the insurance shall be sufficient to pay the total balance of the loan due on the date of the borrower's death or the amount due as of the end of the previous billing cycle, whichever is less, in the case of credit life insurance, or all minimum payments which become due on the loan during the covered period of disability in the case of credit disability insurance. The additional charge for credit life insurance or credit disability insurance shall be calculated in each billing cycle by applying the current monthly premium rate for such insurance, as such rate may be determined by the Director of Insurance, to the unpaid balances in the borrower's account, using either of the methods specified in section 45-361 for the calculation of loan charges;

(2) No credit life or disability insurance written in connection with a preauthorized loan shall be canceled by the licensee because of delinquency of the borrower in the making of the required minimum payments on the loan unless one or more of such payments is past due for a period of ninety days or more, and the licensee shall advance to the insurer the amounts required to keep the insurance in force during such period, which amounts may be debited to the borrower's account;

(3) The department may, by rule and regulation or order, require a statement of insurance that will be appropriate for preauthorized loans in lieu of that required by section 45-359; and

(4) The amount, terms, and conditions of any insurance against loss or damage to property must be reasonable in relation to the character and value of the property insured and the maximum anticipated amount of credit to be extended.

Last Amended:
Supp. 2025

45-363
Licensee; reverse-mortgage loan; regulation.

(1) For purposes of this section, reverse-mortgage loan means a loan made by a licensee which (a) is secured by residential real estate, (b) is nonrecourse to the borrower except in the event of fraud by the borrower or waste to the residential real estate given as security for the loan, (c) provides cash advances to the borrower based upon the equity in the borrower's owner-occupied principal residence, (d) requires no payment of principal or interest until the entire loan becomes due and payable, and (e) otherwise complies with the terms of this section.

(2) Reverse-mortgage loans shall be governed by the following rules without regard to the requirements set out elsewhere for other types of mortgage transactions: (a) Payment in whole or in part is permitted without penalty at any time during the period of the loan; (b) an advance and interest on the advance have priority over a lien filed after the closing of a reverse-mortgage loan; (c) an interest rate may be fixed or adjustable and may also provide for interest that is contingent on appreciation in the value of the residential real estate; and (d) the advance shall not be reduced in amount or number based on an adjustment in the interest rate when a reverse-mortgage loan provides for periodic advances to a borrower.

(3) Reverse-mortgage loans may be made or acquired without regard to the following provisions for other types of mortgage transactions: (a) Limitations on the purpose and use of future advances or any other mortgage proceeds; (b) limitations on future advances to a term of years or limitations on the term of credit line advances; (c) limitations on the term during which future advances take priority over intervening advances; (d) requirements that a maximum mortgage amount be stated in the mortgage; (e) limitations on loan-to-value ratios; (f) prohibitions on balloon payments; (g) prohibitions on compounded interest and interest on interest; and (h) requirements that a percentage of the loan proceeds must be advanced prior to loan assignment.

(4) A licensee may, in connection with a reverse-mortgage loan, charge to the borrower (a) a nonrefundable loan origination fee which does not exceed two percent of the appraised value of the owner-occupied principal residence at the time the loan is made, (b) a reasonable fee paid to third parties originating loans on behalf of the licensee, and (c) such other fees as are necessary and required, including fees for inspections, insurance, appraisals, and surveys.

(5) Licensees failing to make loan advances as required in the loan documents and failing to cure the default as required in the loan documents shall forfeit an amount equal to the greater of two hundred dollars or one percent of the amount of the loan advance the licensee failed to make.

Last Amended:
Supp. 2025

45-364
Installment sales contract; requirements.

(1) Each retail installment sales contract shall be in writing, shall be signed by both the buyer and the seller, and shall contain the following items, and a copy thereof shall be delivered to the buyer at the time the instrument is signed, except for contracts made in conformance with subdivision (5)(c) of section 45-336:

(a) The cash sale price;

(b) The amount of the buyer's downpayment, and whether made in money or goods, or partly in money and partly in goods, including a brief description of any goods traded in;

(c) The difference between subdivisions (a) and (b) of this subsection;

(d) The amount included for insurance if a separate charge is made therefor, specifying the types of coverages;

(e) The amount included for a debt cancellation contract or a debt suspension contract if the debt cancellation contract or debt suspension contract is a contract of a financial institution or licensee, such contract is sold directly by such financial institution or licensee or by an unaffiliated, nonexclusive agent of such financial institution or licensee in accordance with 12 C.F.R. part 37, as such part existed on January 1, 2026, and the financial institution or licensee is responsible for the unaffiliated, nonexclusive agent's compliance with such part, and a separate charge is made therefor;

(f) The amount included for electronic title and lien services other than fees and charges prescribed by law which actually are or will be paid to public officials for determining the existence of or for perfecting, releasing, or satisfying any security related to the credit transaction;

(g) The basic time price, which is the sum of subdivisions (c), (d), (e), and (f) of this subsection;

(h) The time-price differential;

(i) The amount of the time-price balance, which is the sum of subdivisions (g) and (h) of this subsection, payable in installments by the buyer to the seller;

(j) The number, amount, and due date or period of each installment;

(k) The time-sales price; and

(l) The amount included for a guaranteed asset protection waiver.

(2) The contract shall contain substantially the following notice: NOTICE TO THE BUYER. DO NOT SIGN THIS CONTRACT BEFORE YOU READ IT OR IF IT CONTAINS BLANK SPACES. YOU ARE ENTITLED TO A COPY OF THE CONTRACT YOU SIGN.

(3) The items listed in subsection (1) of this section need not be stated in the sequence or order set forth in such subsection. Additional items may be included to explain the computations made in determining the amount to be paid by the buyer. No installment sales contract shall be signed by the buyer or proffered by the seller when it contains blank spaces to be filled in after execution, except that if delivery of the goods or services is not made at the time of the execution of the contract, the identifying numbers or marks of the goods, or similar information, and the due date of the first installment may be inserted in the contract after its execution.

(4) If a seller proffers an installment sales contract as part of a transaction which delays or cancels, or promises to delay or cancel, the payment of the time-price differential on the contract if the buyer pays the basic time price, cash price, or cash sale price within a certain period of time, the seller shall, in clear and conspicuous writing, either within the installment sales contract or in a separate document, inform the buyer of the exact date by which the buyer must pay the basic time price, cash price, or cash sale price in order to delay or cancel the payment of the time-price differential. The seller or any subsequent purchaser of the installment sales contract, including a sales finance company, shall not be allowed to change such date.

(5) Upon written request from the buyer, the holder of an installment sales contract shall give or forward to the buyer a written statement of the dates and amounts of payments and the total amount unpaid under such contract. A buyer shall be given a written receipt for any payment when made in cash.

(6) After payment of all sums for which the buyer is obligated under a contract, the holder shall deliver or mail to the buyer at his or her last-known address one or more good and sufficient instruments or copies thereof to acknowledge payment in full and shall release all security in the goods and mark canceled and return to the buyer the original agreement or copy thereof or

instruments or copies thereof signed by the buyer. For purposes of this section, a copy shall meet the requirements of section 25-12,112.

Last Amended:
Supp. 2025; Laws 2026; LB717, § 31.
Operative Date: February 26, 2026

45-365
Installment sales contract; time-price differential; rate; maximum; origination fee.

(1)(a) Notwithstanding the provisions of any other law, the time-price differential for any goods or services sold under an installment sales contract shall be stated as a fixed or variable annual percentage rate and shall be at a rate agreed to in writing, not to exceed eighteen percent per annum, except that a minimum time-price differential of ten dollars may be charged on any installment sales contract.

(b) Origination fees may be required to be made by the buyer, subject to the following requirements:

(i) A buyer may be required, upon the execution of the installment sales contract, to pay an origination fee in an amount not to exceed ten dollars, except that if the installment sales contract is for an installment sale of agricultural machinery or equipment for use in commercial agriculture or if the installment sales contract is for an installment sale of industrial machinery or equipment, the buyer may be required to pay (A) an origination fee of not to exceed one hundred dollars if the cash sale price is less than twenty-five thousand dollars or (B) an origination fee of not to exceed two hundred fifty dollars if the cash sale price is twenty-five thousand dollars or more; and

(ii) The origination fee shall be refundable if the installment sales contract is canceled during the first thirty days. The origination fee may be collected from the buyer or included in the principal balance of the installment sales contract at the time the contract is made and shall not be considered interest or a time-price differential.

(c) Nothing in the Nebraska Installment Loan and Sales Act prohibits a seller or holder of an installment sales contract from contracting for, computing, and charging a time-price differential based upon the application of the rate charged to the unpaid principal balance for the number of days actually elapsed. The charges so computed shall be used for the purpose of calculating the time-price differential, the time-price balance, the amount of each installment, and the time-sale price.

(d) When the installment sales contract is payable in substantially equal and consecutive monthly installments, the time-price differential shall be computed on the basic time price of each contract, as determined under section 45-364, from the date of the contract until the due date of the final installment, notwithstanding that the time-price balance is required to be paid in installments.

(2) When an installment sales contract provides for payment other than in substantially equal and consecutive monthly installments, the time-price differential may be at a rate which will provide

the same return as is permitted on substantially equal monthly payment contracts under subdivision (1)(d) of this section, having due regard for the schedule of payments.

(3) Every contract payable in two or more installments shall provide for payment of such installments by stating the date and amount of each installment or the method by which any variable rate or installment shall be determined.

Last Amended:
Supp. 2025

45-366
Installment sales contract; insurance; policy; cancellation; premium refund; fee.

(1) The amount, if any, included for insurance, which may be purchased by the holder of the contract, shall not exceed the applicable premium rates chargeable in accordance with filings, if any, with the Department of Insurance. If dual interest insurance on the goods is purchased by the holder, it shall, within thirty days after execution of the installment sales contract, send or cause to be sent to the buyer a policy or policies or certificate of insurance, written by an insurance company authorized to do business in this state, clearly setting forth the amount of the premium, the kind or kinds of insurance, the coverages, and all the terms and conditions of the contract or contracts of insurance.

(2) If any insurance is canceled or the premium adjusted during the term of the installment sales contract, any refund of the insurance premium plus the unearned time-price differential thereon received by the holder shall be credited by the holder to the last maturing installment of the contract except to the extent applied toward payment for similar insurance protecting the interests of the buyer and the holder or either of them.

(3) If any insurance is canceled due to the payment of all sums for which the buyer is liable under an installment sales contract, the holder of the installment sales contract shall, upon receipt of payment of all sums due, send notice to the buyer within fifteen business days of the name, address, and telephone number of the insurance company which issued the insurance contract or the party responsible for any refund, and notice that the buyer may be eligible for a refund. A copy of such notice shall be retained by the holder of the installment sales contract. This subsection does not apply if the holder of the loan contract previously credited the refund of the insurance premium to the loan contract or otherwise refunded the insurance premium to the buyer.

(4) The holder may also purchase nonfiling insurance and charge a reasonable fee. The fee shall not exceed the amount of fees and charges prescribed by law which would have been paid to public officials for filing, perfecting, releasing, and satisfying any lien or security interest in the goods or services.

Last Amended:
Supp. 2025

45-367
Installment sales contract; prepayment; rebate; how computed.

(1) Notwithstanding the provisions of any contract to the contrary, any buyer may prepay in full at any time before maturity the obligation of any contract.

(2) If such obligation is prepaid in full by cash, a new loan, or otherwise after the first installment due date, the borrower shall receive a rebate of an amount which shall be not less than the amount obtained by applying to the unpaid principal balances as originally scheduled or, if deferred, as deferred, for the period following prepayment, according to the actuarial method, the rate of the time-price differential previously stated to the borrower. The licensee may round the rate of the time-price differential to the nearest one-half of one percent if such procedure is not consistently used to obtain a greater yield than would otherwise be permitted. Any default and deferment charges which are due and unpaid may be deducted from any rebate. No rebate shall be required for any partial prepayment. No rebate of less than one dollar need be made. Acceleration of the maturity of the contract shall not in itself require a rebate. If judgment is obtained before the final installment date, the contract balance shall be reduced by the rebate which would be required for prepayment in full as of the date judgment is obtained.

Last Amended:
Supp. 2025

45-368
Installment sales contract; subsequent purchases; consolidate with previous contract; requirements.

(1) Where a buyer makes any subsequent purchases of goods or services from a seller from whom such buyer has previously purchased goods or services under one or more installment sales contracts and the amounts under such contract or contracts to the extent of cash sale price thereof have not been fully paid, the subsequent purchases may be included in and consolidated with one or more of the prior contract or contracts. A memorandum of such additional purchases shall be prepared by the seller and inserted in or attached to the seller's counterpart of the contract and shall set forth:

(a) The names of the seller and the buyer and a description of the additional goods or services sold and all the information with respect to the additional purchase required by section 45-364 to be included in an installment sales contract;

(b) The consolidated time-price balance to be paid by the buyer; and

(c) The revised payments.

(2) A copy of such memorandum shall be delivered to the buyer as provided in and subject to section 45-364. When such subsequent purchases are made, the entire amount of all payments made prior to such subsequent purchases shall be deemed to have been applied on previous purchases.

(3) Each payment thereafter made on a consolidated installment sales contract shall be deemed to be allocated to all of the various purchases in the same ratio or proportion as the original cash sale

prices of the various purchases bear to one another. Where the amount of each deferred payment is increased in connection with such subsequent purchase, the subsequent payments, at the seller's option, may be deemed to be allocated as follows: An amount equal to the original installment payment to the previous purchase, the balance to the subsequent purchase. The amount of any initial payment or downpayment on the subsequent purchase shall be allocated in its entirety to such subsequent purchase. This section shall not apply to cases involving equipment, parts, or other merchandise attached or affixed to goods previously purchased, or to repairs or services in connection therewith rendered by the seller at the buyer's request.

Last Amended:
Supp. 2025

45-369
Installment sales contract; delinquency charges; limitations; fee.

(1) An installment sales contract may provide and the holder thereof may collect, in addition to any time-price differential, a delinquency charge on each installment in default for a period of not less than fifteen days, if provided for in the contract, not in excess of five percent of each installment or twenty-five dollars, whichever is less, or, in lieu thereof, interest after maturity on each such installment not exceeding the highest permissible contract rate. If the time-price differential is computed by application of the rate charged to the unpaid principal balance for the number of days actually elapsed, such delinquency charge may not exceed five percent of each installment or twenty-five dollars, whichever is less. If any installment payment is made by a check, draft, or similar signed order which is not honored because of insufficient funds, no account, or any other reason except an error of a third party to the contract, the holder may charge and collect a fee of not more than fifteen dollars. The delinquency charge and such fee may be collected when due or at any time thereafter.

(2) When an installment sales contract is for a commercial or business purpose (a) a delinquency charge not to exceed five percent of each unpaid installment may be contracted for and received and (b) the holder of any check or draft or similar order which is not honored for any reason, except for error of a third party, may charge and collect a fee as stated in the contract. As used in this section, commercial or business purpose means primarily for a purpose other than a personal, family, or household purpose.

Last Amended:
Supp. 2025

45-370
Installment sales contract; extension or deferment authorized; when; fee.

The holder of a retail installment sales contract may, upon agreement with the buyer:

(1) Extend the scheduled due date or defer the scheduled payment of any installment payment under the retail installment sales contract; and

(2) Charge and collect a reasonable flat service fee for such extension or deferment in addition to the time-price differential calculated for the period of such extension or deferment at the rate originally agreed upon in the retail installment sales contract on the outstanding balance.

Last Amended:
Supp. 2025

45-371
Installment sales contract; excess charges; contract void and uncollectible; civil suit.

(1) If any seller or sales finance company, in the making or collection of an installment sales contract, shall, directly or indirectly, contract for, take, or receive charges in excess of those authorized by the Nebraska Installment Loan and Sales Act except as a result of an accidental and bona fide error, such contract shall be void and uncollectible as to (a) all of the excessive portion of the time-price differential, (b) the first one thousand dollars of the time-price differential authorized by section 45-365, and (c) the first four thousand dollars of the principal of the contract.

(2) If any seller or sales finance company violates any provision of the act, other than the violations described in subsection (1) of this section, except as a result of an accidental and bona fide error, such installment sales contract shall be void and uncollectible as to the first five hundred dollars of the time-price differential and the first one thousand dollars of the principal of such contract. If any of such money has been paid by the buyer, such buyer or his or her assignee may recover under the act in a civil suit brought within one year after the due date, or any extension thereof, of the last installment of the contract.

Last Amended:
Supp. 2025

45-372
Licensee; prohibited acts; cease and desist order; false statement; penalty.

(1) A licensee shall not refuse to enter into a loan or impose finance charges or other terms or conditions of credit more onerous than those regularly extended by that licensee to borrowers of similar economic backgrounds because of the age, color, creed, national origin, political affiliation, race, religion, sex, marital status, disability, or military or veteran status of the borrower or because the borrower receives public assistance, social security benefits, pension benefits, or the like.

(2) No licensee shall conduct the business of making loans under the Nebraska Installment Loan and Sales Act within any office, room, or place of business in which any other business is solicited or engaged in, or in association or conjunction with any other business, if the director finds that the other business is of such nature that the conducting of such other business tends to conceal evasion of the act or of the rules and regulations adopted and promulgated under the act. In such case, the director shall order such licensee in writing to cease and desist from such conduct.

(3) No licensee shall, directly or indirectly, require a borrower as a condition of granting a loan to such borrower to reaffirm or otherwise obligate the borrower to pay a former debt to the licensee which has been discharged in bankruptcy proceedings.

(4) Any person who makes a false statement to secure a loan is guilty of a Class III misdemeanor. The punishment shall not be exacted, however, when such a loan is made after the licensee is aware of the falsity of the statement.

(5) No licensee or other person subject to the Nebraska Installment Loan and Sales Act shall advertise, print, display, publish, distribute, or broadcast or cause or permit to be advertised, printed, displayed, published, distributed, or broadcast in any manner whatsoever any false, misleading, or deceptive statement or representation with regard to the rates, terms, or conditions for the lending of money, credit, goods, or things in action. The director may order any licensee to cease and desist from any conduct which he or she finds to be a violation of this section. The director may require that rates of charge, if stated by a licensee, be stated fully and clearly in such manner as the director deems necessary to prevent misunderstanding by prospective borrowers.

(6) No loan, made outside this state, in the amount or of the value of three thousand dollars or less, for which a greater rate of interest, consideration, or charges than is permitted by section 45-350 has been charged, contracted for, or received, shall be enforced in this state. Every person participating in such loan in this state is subject to the Nebraska Installment Loan and Sales Act, except that the act shall not apply to loans legally made in any state under and in accordance with a regulatory small loan law similar in principle to such act.

(7) In connection with the collection of any loan, a licensee may not:

(a) Use or threaten to use violence;

(b) Use obscene or profane language;

(c) Cause a telephone to ring or engage a person in telephone conversation at times known to be inconvenient to the borrower;

(d) Falsely represent the character, amount, or legal status of any debt;

(e) Falsely represent that an individual is an attorney when he or she is not;

(f) Falsely represent that nonpayment of any debt will result in the arrest or imprisonment of the borrower or any member of the borrower's household;

(g) Threaten to take any action that the licensee knows cannot legally be taken at the time the threat is made;

(h) Falsely represent that the borrower committed any crime when the borrower did not;

(i) Communicate or threaten to communicate to any person credit information which is known to be false;

(j) Use or distribute any written communication which falsely represents that it is a document authorized, issued, or approved by any court, official, or agency of the United States or any state;

(k) Charge or collect any fees, charges, or expenses, incidental to the collection of any loan, unless such amount is expressly authorized by the loan agreement or permitted by law;

(l) Accept from any person a check or other payment instrument postdated by more than five days unless such person is notified in writing of the licensee's intent to deposit such check or instrument not more than ten nor less than three business days prior to such deposit;

(m) Solicit any postdated check or other postdated payment instrument for the purpose of threatening or instituting criminal prosecution;

(n) Deposit or threaten to deposit any postdated check prior to the date on such check;

(o) Cause charges to be made to any person for communications by concealment of the true purpose of the communication, including, but not limited to, collect telephone calls and telegram fees;

(p) Communicate with a borrower regarding a debt by postcard; or

(q) Communicate with a borrower at the borrower's place of employment if the licensee has received actual notice that the borrower's employer prohibits the borrower from receiving such communication.

Last Amended:
Supp. 2025

45-373
License and registration under Nationwide Mortgage Licensing System and Registry; department; powers and duties; director; powers and duties; information sharing.

(1) The department shall require licensees to be licensed and registered through the Nationwide Mortgage Licensing System and Registry. In order to carry out this requirement, the department is authorized to participate in the Nationwide Mortgage Licensing System and Registry. For this purpose, the department may establish, by adopting and promulgating rules and regulations or by order, requirements as necessary. The requirements may include, but not be limited to:

(a) Background checks of applicants and licensees, including, but not limited to:

(i) Fingerprints of every executive officer, director, partner, member, sole proprietor, or shareholder submitted to the Federal Bureau of Investigation and any other governmental agency or entity authorized to receive such information for a state, national, and international criminal history record information check;

(ii) Civil or administrative records;

(iii) Credit history; or

(iv) Any other information as deemed necessary by the Nationwide Mortgage Licensing System and Registry;

(b) The payment of fees to apply for or renew a license through the Nationwide Mortgage Licensing System and Registry;

(c) Compliance with prelicensure education and testing and continuing education;

(d) The setting or resetting, as necessary, of renewal processing or reporting dates; and

(e) Amending or surrendering a license or any other such activities as the director deems necessary for participation in the Nationwide Mortgage Licensing System and Registry.

(2) In order to fulfill the purposes of the Nebraska Installment Loan and Sales Act, the department is authorized to establish relationships or contracts with the Nationwide Mortgage Licensing System and Registry or other entities designated by the Nationwide Mortgage Licensing System and Registry to collect and maintain records and process transaction fees or other fees related to licensees or other persons subject to the act. The department may allow such system to collect licensing fees on behalf of the department and allow such system to collect a processing fee for the services of the system directly from each licensee or applicant for a license.

(3) The director is required to regularly report violations of the act pertaining to residential mortgage loans, as defined in section 45-702, as well as enforcement actions and other relevant information, to the Nationwide Mortgage Licensing System and Registry subject to the provisions contained in this section.

(4) The director shall establish a process whereby applicants and licensees may challenge information entered into the Nationwide Mortgage Licensing System and Registry by the director.

(5) The department shall ensure that the Nationwide Mortgage Licensing System and Registry adopts a privacy, data security, and security breach notification policy. The director shall make available upon written request a copy of the contract between the department and the Nationwide Mortgage Licensing System and Registry pertaining to the breach of security of the system provisions.

(6) The department shall upon written request provide the most recently available audited financial report of the Nationwide Mortgage Licensing System and Registry.

(7) The director may use the Nationwide Mortgage Licensing System and Registry as a channeling agent for requesting information from and distributing information to the United States Department of Justice or any other governmental agency in order to reduce the points of contact which the Federal Bureau of Investigation may have to maintain for purposes of subsection (1) of this section.

(8) In order to promote more effective regulation and reduce the regulatory burden through supervisory information sharing:

(a) Except as otherwise provided in this section, the requirements under any federal or state law regarding the privacy or confidentiality of any information or material provided to the Nationwide Mortgage Licensing System and Registry, and any privilege arising under federal or state law, including the rules of any federal or state court, with respect to such information or material, shall continue to apply to such information or material after the information or material has been disclosed to the Nationwide Mortgage Licensing System and Registry. Such information and material may be shared with all federal and state regulatory officials with mortgage industry oversight authority without the loss of privilege or the loss of confidentiality protections provided by federal or state law;

(b) Information or material that is subject to a privilege or confidentiality under subdivision (8)(a) of this section shall not be subject to:

(i) Disclosure under any federal or state law governing the disclosure to the public of information held by an officer or an agency of the federal government or the respective state; or

(ii) Subpoena or discovery, or admission into evidence, in any private civil action or administrative process, unless with respect to any privilege held by the Nationwide Mortgage Licensing System and Registry with respect to such information or material, the person to whom such information or material pertains waives, in whole or in part, in the discretion of such person, that privilege;

(c) Any state statute relating to the disclosure of confidential supervisory information or any information or material described in subdivision (1)(a) of this section that is inconsistent with such subdivision shall be superseded by the requirements of this section; and

(d) This section shall not apply with respect to the information or material relating to the employment history of, and publicly adjudicated disciplinary and enforcement actions against, applicants and licensees that is included in the Nationwide Mortgage Licensing System and Registry for access by the public.

(9) For these purposes, the director is authorized to enter into agreements or sharing arrangements with other governmental agencies, the Conference of State Bank Supervisors, the American Association of Residential Mortgage Regulators, or other associations representing governmental agencies as established by adopting and promulgating rules and regulations or an order of the director.

Last Amended:
Supp. 2025

45-374
Rules and regulations; orders, rulings, demands, and findings.

The director may adopt and promulgate rules and regulations and issue orders, rulings, demands, and findings to carry out the purposes of the Nebraska Installment Loan and Sales Act.

Last Amended:
Supp. 2025

45-375
Installment loans; violations; penalty; effect on loan; liability.

Any person violating subsection (4) of section 45-345, section 45-349, 45-356, or 45-359 is guilty of a Class II misdemeanor. If, in the making of, or collection on, any loan contract, any act is done which constitutes a Class II misdemeanor under this section, that loan shall not be void, but the licensee shall have no right to collect or receive any interest or charges whatsoever. If any interest or other charges have been collected, the licensee shall forfeit and refund to the borrower all interest and other charges collected on the loan involved and shall not collect thereafter any interest or other charges contracted for and thereafter due on the loan involved, as liquidated damages, and the licensee or its assignee, if found liable, shall pay the costs of any action relating thereto, including reasonable attorney's fees. No licensee shall be found liable under this section if the licensee shows by a preponderance of the evidence that the violation was not intentional and resulted from a bona fide error notwithstanding the maintenance of procedures reasonably adopted to avoid any such error.

Last Amended:
Supp. 2025

45-376
Violations by licensee; action by borrower; damages; liability.

Any violation of section 45-372, in connection with any loan transaction, however acquired, shall not render the indebtedness, any interest, or other charges void or uncollectible. In an action, other than a class action, the borrower may recover from the licensee violating section 45-372 an award of liquidated damages in an amount determined by the court, but not less than five hundred dollars nor more than one thousand dollars. In any legal action brought pursuant to this section in which the licensee is found liable, the court shall award costs and reasonable attorney's fees to the borrower. A licensee is not liable under this section if the licensee notifies the borrower of an error before the licensee receives from the borrower written notice of the error or before the borrower has brought an action under this section and the licensee corrects the error within thirty days after notifying the borrower. A licensee may not be held liable in any action brought under this section if the licensee shows by a preponderance of evidence that the violation was not intentional and resulted from a bona fide error notwithstanding the maintenance of procedures reasonably adopted to avoid the error.

Last Amended:
Supp. 2025

45-377
Installment loans; enforcement of provisions; cease and desist order; injunction.

Whenever the director has reasonable cause to believe that any person is violating or is threatening to or intends to violate the Nebraska Installment Loan and Sales Act, the director may, in addition to any action provided in the act and without prejudice thereto, enter an order requiring such person to cease and desist or to refrain from such violation. An action may also be brought, on the relation of the Attorney General and the director, to enjoin such person from engaging in or continuing such violation or from doing any act or acts in furtherance of such violation. In any such action, an order or judgment may be entered awarding such preliminary or final injunction as may be deemed proper. In addition to all other means provided by law for the enforcement of a restraining order or injunction, the court, in which such action is brought, has power and jurisdiction to impound and appoint a receiver for the property and business of the defendant, including books, papers, documents, and records pertaining thereto or so much thereof as the court may deem reasonably necessary to prevent violations of the Nebraska Installment Loan and Sales Act through or by means of the use of such property and business. Such receiver, when so appointed and qualified, has such powers and duties as to custody, collection, administration, winding up, and liquidation of such property and business as shall, from time to time, be conferred upon the receiver by the court.

Last Amended:
Supp. 2025

45-378
Cease and desist order; hearing; judicial review; enforcement; fine.

(1) The department may order any person to cease and desist whenever the department determines that the person has violated any provision of the Nebraska Installment Loan and Sales Act. Upon entry of a cease and desist order, the director shall promptly notify the affected person that such order has been entered, of the reasons for such order, and that upon receipt, within fifteen business days after the date of the order, of written request from the affected person a hearing will be scheduled within thirty business days after the date of receipt of the written request unless the parties consent to a later date or the hearing officer sets a later date for good cause. If a hearing is not requested and none is ordered by the director, the order shall remain in effect until it is modified or vacated.

(2) The director may vacate or modify a cease and desist order if he or she finds that the conditions which caused its entry have changed or that it is otherwise in the public interest to do so.

(3) A person aggrieved by a cease and desist order of the director may obtain judicial review of the order in the manner prescribed in the Administrative Procedure Act and the rules and regulations adopted and promulgated by the department under the act. The director may obtain an order from the district court of Lancaster County for the enforcement of the cease and desist order.

(4) A person who violates a cease and desist order of the director may, after notice and hearing and upon further order of the director, be subject to a penalty of not more than five thousand dollars for each act in violation of the cease and desist order. The department shall remit fines collected under this section to the State Treasurer for distribution in accordance with Article VII, section 5, of the Constitution of Nebraska.

Last Amended:
Supp. 2025

45-379
Administrative fine; procedure; lien.

(1) The director may, following a hearing under the Administrative Procedure Act, impose an administrative fine against any officer, director, shareholder, partner, or member of a licensee, if the director finds the licensee or any such person participated in or had knowledge of any act prohibited by the Nebraska Installment Loan and Sales Act or otherwise violated the act. Such administrative fine shall be in addition to or separate from any fine imposed against a licensee pursuant to section 45-346.

(2) If the director finds, after notice and hearing in accordance with the Administrative Procedure Act, that any person has knowingly committed any act prohibited by section 45-372 or otherwise violated the Nebraska Installment Loan and Sales Act or any rule and regulation or order adopted thereunder, the director may order such person to pay (a) an administrative fine of not more than five thousand dollars for each separate violation and (b) the costs of investigation.

(3) If a person fails to pay an administrative fine and the costs of investigation ordered pursuant to this section, a lien in the amount of such fine and costs may be imposed upon all assets and property of such person in this state and may be recovered in a civil action by the director. The lien shall attach to the real property of such person when notice of the lien is filed and indexed against the real property in the office of the register of deeds in the county where the real property is located. The lien shall attach to any other property of such person when notice of the lien is filed against the property in the manner prescribed by law. Failure of the person to pay such fine and costs shall constitute a separate violation of the act.

(4) The department shall remit fines collected under this section to the State Treasurer for distribution in accordance with Article VII, section 5, of the Constitution of Nebraska.

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Supp. 2025

45-380
Fees, charges, and costs; remittance.

All original license fees, annual renewal fees, investigation and examination fees, charges, and costs collected by or paid to the department pursuant to the Nebraska Installment Loan and Sales Act shall be remitted to the State Treasurer for credit to the Financial Institution Assessment Cash Fund and shall be available for the uses and purposes of the fund.

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