

# Single Bank Pooled Collateral Program (SBPC)

To improve the efficiency of and protection for public funds, Nebraska law was recently revised (2019 LB 622) to allow Nebraska banks to establish a pool of collateralized securities pledged to its aggregate amount of public deposits, effective July 1, 2020. The SBPC program is overseen by the Nebraska Department of Banking and Finance and administered by the Nebraska Bankers Insurance Service Company (NBISCO), a division of the Nebraska Bankers Association.

Public entities that maintain deposits in a Nebraska bank which are secured through the SBPC, will experience:

- **Similar programs operate in other states** Colorado, South Dakota and other states have successfully adopted a pooled collateral program
- **Increased security** Public entities, participating banks and NBISCO routinely review deposit and collateral levels.
- **Reduced administrative time and expense** Questions about proper collateral coverage are addressed to NBISCO rather than each individual bank.
- **Centralized reporting** Public entities and their audit firms can easily access reports monthly and annually.
- **Significant time savings** NBISCO assumes responsibility for approving the deposit withdrawal of pooled collateral pledged to public deposits.
- **Professional program administration** NBISCO has been in existence since 1981. The NBISCO team responsible of administering the SBPC includes two attorneys, two inactive registrant certified public accountants, the former Director of the Department of Economic Development and professional account representatives.