

## LEGISLATIVE BILL 381

Approved by the Governor April 20, 1989

Introduced by R. Johnson, 34

AN ACT relating to tractor testing; to amend section 2-2701.01, Reissue Revised Statutes of Nebraska, 1943; to redefine a term; and to repeal the original section.

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

Section 1. That section 2-2701.01, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

2-2701.01. As used in For purposes of sections 2-2701 to 2-2711, unless the context otherwise requires:

(1) Board shall mean the University of Nebraska Board of Tractor Test Engineers which shall consist of three engineers under the control of the university;

(2) Current tractor model shall mean any model included in the manufacturer's annual price list of tractors being offered for sale by its dealers or distributors;

(3) Department shall mean the Department of Agriculture;

(4) Director shall mean the Director of Agriculture or his or her authorized representative;

(5) Person shall mean bodies politic and corporate, societies, communities, the public generally, individuals, partnerships, joint-stock companies, and associations; and

(6) Tractor shall mean an agricultural tractor of forty or more horsepower which is a traction machine designed and advertised primarily to supply power to agricultural implements and farmstead equipment. An agricultural tractor propels itself and provides a force in the direction of travel to enable attached soil-engaging and other agricultural implements to perform their intended function.

Sec. 2. That original section 2-2701.01, Reissue Revised Statutes of Nebraska, 1943, is repealed.

## LEGISLATIVE BILL 391

Approved by the Governor March 6, 1989

Introduced by Conway, 17

AN ACT relating to securities; to amend section 8-1110, Reissue Revised Statutes of Nebraska, 1943; to add an exemption from registration as prescribed; to harmonize provisions; and to repeal the original section.

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

Section 1. That section 8-1110, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

8-1110. Sections 8-1104 to 8-1109 shall not apply to any of the following securities:

(1) Any security, including a revenue obligation, issued or guaranteed by the United States, any state, any political subdivision of a state, or any agency or corporate or other instrumentality of one or more of the foregoing; or any certificate of deposit for any of the foregoing;

(2) Any security issued or guaranteed by Canada, any Canadian province, any political subdivision of any such province, any agency or corporate or other instrumentality of one or more of the foregoing, or any other foreign government with which the United States currently maintains diplomatic relations, if the security is recognized as a valid obligation by the issuer or guarantor;

(3) Any security issued by and representing an interest in or a debt of, or guaranteed by, any bank organized under the laws of the United States; or any bank, savings institutions, or trust company organized and supervised under the laws of any state;

(4) Any security issued by and representing an interest in or a debt of, or guaranteed by, any federal savings and loan association; or any building and loan or similar association organized under the laws of any state and authorized to do business in this state;

(5) Any security issued or guaranteed by any federal credit union or any credit union, industrial loan and investment company, or similar association organized and supervised under the laws of this state;

(6) Any security issued or guaranteed by any railroad, other common carrier, public utility, or

holding company which is: (a) ~~subject~~ Subject to the jurisdiction of the Interstate Commerce Commission; (b) a registered holding company under the Public Utility Holding Company Act of 1935 or a subsidiary of such a company within the meaning of that act; (c) regulated in respect of its rates and charges by a governmental authority of the United States or any state or municipality; or (d) regulated in respect of the issuance or guarantee of the security by a governmental authority of the United States, any state, Canada, or any Canadian province;

(7) Any security listed or approved for listing upon notice of issuance on the New York Stock Exchange, the American Stock Exchange, ~~or~~ the Midwest Stock Exchange, ~~or~~ any other stock exchange approved by the director, the National Association of Securities Dealers Automated Quotation National Market System, or any other market system approved by the director, any other security of the same issuer which is of senior or substantially equal rank, any security called for by subscription rights or warrants so listed or approved, or any warrant or right to purchase or subscribe to any of the foregoing, except that the director may by rule adopt and promulgate rules and regulations which, after notice to such exchange or market system and an opportunity to be heard, remove any such exchange or market system from this exemption if the director finds that the listing requirements or market surveillance of such exchange or market system is ~~are~~ such that the continued availability of ~~this~~ such exemption for such exchange or market system is not in the public interest and that ~~such~~ removal is necessary for the protection of investors;

(8) Any security which meets all of the following conditions:

(a) If the issuer is not organized under the laws of the United States or a state, it has appointed a duly authorized agent in the United States for service of process and has set forth the name and address of such agent in its prospectus;

(b) A class of the issuer's securities is required to be and is registered under section 12 of the Securities Exchange Act of 1934, and has been so registered for the three years immediately preceding the offering date;

(c) Neither the issuer nor a significant subsidiary has had a material default during the last seven years, or during the issuer's existence if such existence is less than seven years, in the payment of

(i) principal, interest, dividends, or sinking-fund installments on preferred stock or indebtedness for borrowed money, or (ii) rentals under leases with terms of three or more years;

(d) The Except as provided in subdivision (8)(g) of this section, the issuer has had consolidated net income, without taking into account extraordinary items and the cumulative effect of accounting changes, of at least one million dollars in four of its last five fiscal years, including its last fiscal year, and if the offering is of interest-bearing securities the issuer has had for its last fiscal year, net income, before deduction for income taxes and depreciation, of at least one and one-half times the issuer's annual interest expense, taking into account the proposed offering and the intended use of the proceeds. As used in For purposes of this subdivision, last fiscal year shall mean the most recent year for which audited financial statements are available, if such statements cover a fiscal period ending not more than fifteen months from the commencement of the offering;

(e) If the offering is of stock or shares other than preferred stock or shares, such securities have voting rights which include (i) the right to have at least as many votes per share and (ii) the right to vote on at least as many general corporate decisions as each of the issuer's outstanding classes of stock or shares, except as otherwise required by law;

(f) If the offering is of stock or shares other than preferred stock or shares, such securities are owned beneficially or of record, on any date within six months prior to the commencement of the offering, by at least one thousand two hundred persons, and on such date there are at least seven hundred fifty thousand such shares outstanding with an aggregate market value of at least three million seven hundred fifty thousand dollars, based on the average bid price for ~~that day~~ such day. When determining the number of persons who are beneficial owners of the stock or shares of an issuer, for purposes of this subdivision, the issuer or broker-dealer may rely in good faith upon written information furnished by the record owners;

(g) ~~Except that, if~~ If the issuer of the securities is a finance company which has liquid assets of at least one hundred five percent of its liabilities, other than deferred income taxes, deferred investment tax credit, capital stock, and surplus, at the end of its last five fiscal years, the net income requirement of subdivision (8)(d) of this section, before deduction

for interest expense, shall be one and one-fourth times its annual interest expense. ~~As used in~~ For purposes of this subdivision, (i) finance company shall mean a company engaged primarily in the business of wholesale, retail, installment, mortgage, commercial, industrial, or consumer financing, banking, or factoring and (ii) liquid assets shall mean (A) cash receivables payable on demand or not more than twelve years following the close of the company's last fiscal year, less applicable reserves and unearned income, and ~~shall also mean~~ (B) readily marketable securities less applicable reserves and unearned income; and

(h) ~~Except that, if any~~ Any security is issued or guaranteed as to both principal and interest by an international bank of which the United States is a member, ~~such security~~ shall be exempt from registration under this section;

(9) Any security issued by any person organized and operated not for private profit but exclusively for religious, educational, benevolent, charitable, fraternal, social, athletic, or reformatory purposes, ~~or~~ as a chamber of commerce, or ~~as a~~ trade or professional association;

(10) Any commercial paper which arises out of a current transaction or the proceeds of which have been or are to be used for current transactions, and which evidences an obligation to pay cash within nine months of the date of issuance, exclusive of days of grace, ~~or~~ any renewal of such paper which is likewise limited, or any guarantee of such paper or ~~of any~~ such renewal; or

(11) Any investment contract issued in connection with an employees' stock purchase, savings, pension, profit-sharing, or similar benefit plan if the director is notified in writing thirty days before the inception of the plan or, with respect to plans which are in effect on August 18, 1965, within sixty days thereafter or within thirty days before they are reopened if they are closed on August 18, 1965.

Sec. 2. That original section 8-1110, Reissue Revised Statutes of Nebraska, 1943, is repealed.