

in the manner of being registered and supervised by the Department of Banking. The only question in point here at the present time is whether an issuer dealer should be treated as a broker dealer and be allowed to receive commissions for having presented an offering. The issuer dealer under the present amendment will be able to present an offering to the public but he cannot be paid for it. I think that if there is any risk to the public, you would have to take that provision away from him. Obviously, the Department of Banking does not think there is a risk to the public or they would not allow him to make that offering. I think it is ridiculous to assume that anyone who is in business would do so without being paid. Now there are those who perhaps might devise some scheme whereby they could be paid, but I think that it is far better to do things upfront out in the open as has been the case in the past than to try to do something surreptitiously. Therefore, I would ask that the amendment be adopted and that the issuer dealer be allowed to receive the commissions as does a broker dealer on these type of offerings. I want to emphasize again what Senator Vickers pointed out yesterday, that there are instances occurring at the present time where investors from outside of the state are coming into the state of Nebraska and are investing in the exploration of wells and this provision is being denied to Nebraska investors. I want to point out again that the exploration for oil and gas in Nebraska has been on a limited basis and has been confined in the past to a rather limited area, that we are all hopeful because of the energy shortage that that exploration will expand. It is not going to expand if we continually try to limit this type of an offering. I hope that Senator Vickers will address the issue also, but, ladies and gentlemen, I ask for your approval of the amendment.

SPEAKER MARVEL: Senator Dworak, your light is on, do you wish to speak to the Schmit amendment?

SENATOR DWORAK: Mr. President and colleagues, I oppose the amendment. The Department of Banking opposes the amendment. I think that an issuer dealer, the criteria to be an issuer dealer is certainly not as stringent as the criteria to be a broker dealer. I think these people need some type of certification. The certification for an issuer dealer is very lax, very easy to obtain. A broker dealer must go through annual examination as to his knowledge, his expertise. There must be scrutiny on his own dealings in his own operations, and I think this is proper in order to fully protect the public against unscrupulous type of operations. Now I don't mean to imply all issuer dealers are unscrupulous. That is not what I mean to imply, and I am