

AMENDMENTS TO LB 142

1           1. Insert the following new sections:

2           "Section 1. Section 8-1120, Reissue Revised Statutes of  
3 Nebraska, is amended to read:

4           8-1120. (1) Except as otherwise provided in this  
5 section, the Securities Act of Nebraska shall be administered by  
6 the Director of Banking and Finance who may employ such assistants  
7 or counsel as may be reasonably necessary for the purpose thereof  
8 and who may designate one of such assistants as an assistant  
9 director. The director may delegate to such assistant director or  
10 counsel any powers, authority, and duties imposed upon or granted  
11 to the director under the act, such as may be lawfully delegated  
12 under the common law or the statutes of this state. The director  
13 may also employ special counsel with respect to any investigation  
14 conducted by him or her under the act or with respect to any  
15 litigation to which the director is a party under the act, except  
16 that security issued by and representing an interest in or a debt  
17 of, or guaranteed by, any insurance company shall be registered,  
18 pursuant to the provisions of sections 8-1104 to 8-1109, with the  
19 Director of Insurance who shall as to such registrations administer  
20 and enforce the act, and as pertains to the administration and  
21 enforcement of such registration of such securities all references  
22 in the act to director shall mean the Director of Insurance.

23           (2) It shall be unlawful for the director or any of his  
24 or her officers or employees to use for personal benefit any

1 information which is filed with or obtained by the director and  
2 which is not made public. No provision of the act shall authorize  
3 the director or any of his or her officers or employees to disclose  
4 any such information except among themselves or when necessary or  
5 appropriate in a proceeding or investigation under the act. No  
6 provision of the act shall either create or derogate from any  
7 privilege which exists at common law or otherwise when documentary  
8 or other evidence is sought under a subpoena directed to the  
9 director or any of his or her officers or employees.

10 (3) The director may from time to time make, amend, and  
11 rescind such rules and forms as are necessary to carry out the act.  
12 No rule or form may be made unless the director finds that the  
13 action is necessary or appropriate in the public interest or for  
14 the protection of investors and consistent with the purposes fairly  
15 intended by the policy and provisions of the act.

16 In prescribing rules and forms the director may cooperate  
17 with the securities administrators of the other states and the  
18 Securities and Exchange Commission with a view to effectuating the  
19 policy of the Securities Act of Nebraska to achieve maximum  
20 uniformity in the form and content of registration statements,  
21 applications, and reports wherever practicable. All rules and  
22 forms of the director shall be published and mailed to each  
23 registered broker-dealer.

24 (4) No provision of the act imposing any liability shall  
25 apply to any act done or omitted in good faith in conformity with  
26 any rule, form, or order of the director, notwithstanding that the  
27 rule or form may later be amended or rescinded or be determined by

1 judicial or other authority to be invalid for any reason.

2 (5) Every hearing in an administrative proceeding shall  
3 be public unless the director in his or her discretion grants a  
4 request joined in by all the respondents that the hearing be  
5 conducted privately.

6 (6) The Securities Act Cash Fund is created. All filing  
7 fees, registration fees, and all other fees and all money collected  
8 by or paid to the director under any of the provisions of the act  
9 shall be remitted to the State Treasurer for credit to the fund,  
10 except that registration fees collected by or paid to the Director  
11 of Insurance pursuant to the provisions of the act shall be  
12 credited to the Department of Insurance Cash Fund. The Securities  
13 Act Cash Fund shall be used for the purpose of administering and  
14 enforcing the provisions of the act, except that (a) transfers may  
15 be made to the General Fund at the direction of the Legislature,  
16 (b) and, for the calendar years of 2000 and 2001, two million  
17 dollars shall be transferred in each year to the Affordable Housing  
18 Trust Fund, and (c) for fiscal year 1999-00, six million dollars  
19 shall be transferred to the Water Quality Trust Fund. All of such  
20 money is appropriated and shall be appropriated for such purposes.  
21 Any money in the Securities Act Cash Fund available for investment  
22 shall be invested by the state investment officer pursuant to the  
23 Nebraska Capital Expansion Act and the Nebraska State Funds  
24 Investment Act.

25 (7) A document is filed when it is received by the  
26 director. The director shall keep a register of all applications  
27 for registration and registration statements which are or have ever

1 been effective under the Securities Act of Nebraska and all denial,  
2 suspension, or revocation orders which have ever been entered under  
3 the act. The register shall be open for public inspection. The  
4 information contained in or filed with any registration statement,  
5 application, or report may be made available to the public under  
6 such rules as the director shall prescribe.

7 (8) Upon request and at such reasonable charges as he or  
8 she shall prescribe, the director shall furnish to any person  
9 photostatic or other copies, certified under his or her seal of  
10 office if requested, of any entry in the register or any document  
11 which is a matter of public record. In any proceeding or  
12 prosecution under the act, any copy so certified shall be prima  
13 facie evidence of the contents of the entry or document certified.

14 (9) The director in his or her discretion may honor  
15 requests from interested persons for interpretative opinions.

16 Sec. 2. The Water Quality Trust Fund is created. The  
17 interest earned on the fund shall be transferred to the Natural  
18 Resources Enhancement Fund. Any money in the Water Quality Trust  
19 Fund shall be invested pursuant to the Nebraska Capital Expansion  
20 Act and the Nebraska State Funds Investment Act."

21 2. On page 3, line 6, strike "section" and insert  
22 "sections 8-1120"; and in line 7 strike "is" and insert "are".

23 3. Renumber the remaining sections accordingly.