

and regulations. In other words, security sales would be exempt from their registration obligation if you have a transaction between small Nebraska issuers and only Nebraska residents, intrastate dealings. These changes make it easier to do and to formulate capital in the marketplace, which is why the Chamber of Commerce and industry came in and testified in support of the bill. There was no opposition. It was advanced 8-0 in the Banking Committee. I would urge its advancement.

SPEAKER WITHEM: Thank you, Senator Landis. Senator Beutler.

SENATOR BEUTLER: Senator Landis, a few questions, if I can. These bills are always difficult to understand and I always have this lingering image of Commonwealth in my mind as I see these bills coming through, and I want to ask a few questions about the protection of investors and what this bill means or doesn't mean in terms of what kind of protections they are afforded. First of all, with regard to the exemption for accredited investors, the way the language of the bill reads, we seem to be leaving it to the Department of Banking to define as they choose what an accredited investor is. You indicated some language having to do with high net worth or income, which I assume, perhaps, comes from federal law or some other place, but in light of...in light of the climate these days and in light of some bad experiences in the past, do you feel comfortable leaving entirely to the department the defining of what an accredited investor is?

SENATOR LANDIS: I do but then I may have a higher confidence level in the department than you may. The department tells me that they are interested in using the federal registration exemption plan as a model. I can't tell you what those terms are but I think that would be a satisfactory standard to use. It would be possible to draw those and put them into statute. If you would like to see that happen, it could be done on Select File, perhaps. But,...

SENATOR BEUTLER: Does it...

SENATOR LANDIS: ...I, personally, am comfortable on the concept that sophisticated investors are able to take care of themselves.

SENATOR BEUTLER: Yeah.