

SENATOR LANDIS: That's a principle I do accept.

SENATOR BEUTLER: Does it make any sense at all to draw lines in terms of...well, I don't know quite how you would do it. Federal...I mean, it makes a difference to me too whether it's a person making \$200,000 a year and he wants to risk 20,000, or it's a person making considerably less than that who is being tempted to invest. Well, enough of that.

SENATOR LANDIS: Okay.

SENATOR BEUTLER: That was all I wanted to ask. Increasing the exemption from 10 to 15, I understand. With respect to prefiling a notice versus portfiling, that is pre and post being...

SENATOR LANDIS: Yeah.

SENATOR BEUTLER: ...before and after the point of first sale, I'm not sure, in the first instance, that I understood the explanation, other than it doesn't work. It was unclear to me why it doesn't work and I would ask you to repeat that, but I would ask you to repeat it in conjunction and consideration of the notice provided on page 8, lines 8 through 10, applying to the new exemption that you created, which seems to continue the idea of a presale notice as opposed to a postsale notice. I guess my question is, why is it good in one case but not the other?

SENATOR LANDIS: Let me tell you why I think the postsale makes sense. If you take the intrastate exemption, Nebraska issuer, Nebraska purchaser, and you make those exempt from registration,...

SPEAKER WITHEM: One minute, Senator Beutler.

SENATOR LANDIS: ...you've got the sale occurring prior to registration. Something that gives the director notice prior to the sale of a sale that does not have to be registered is an impractical result and an impractical function because you don't have the sale and it's not...you don't have the obligation to register at that point. Once the sale is completed, however, and you do have the transaction, then it becomes necessary to tell the director that it has occurred and that the standard of protection, which are supposed to be given, including lines 8