

February 2, 1995 LB 83, 119

CLERK: 25 ayes, 0 nays, Madam President, on the advancement of LB 83.

PRESIDENT ROBAK: LB 83 advances. LB 119.

CLERK: LB 119, Madam President, introduced by Senator Withem. (Read title.) The bill was introduced on January 6, referred to the Banking Committee, advanced to General File. There are committee amendments pending.

PRESIDENT ROBAK: The Chair recognizes Senator Landis on the committee amendments.

SENATOR LANDIS: Thank you, Lieutenant Governor Robak. LB 119 is brought to us by Senator Withem on behalf, I believe, of his constituent, Anthony Nebelsick. Anthony Nebelsick is a fellow who has a computer that plugs into the Dow Jones averages and all of the stock exchanges. He's, I think, an entrepreneur and a stock purchaser, and Anthony Nebelsick would like to buy stocks without going through a broker-dealer. He doesn't want to go to Sherson Lehman or Paine Webber. He wants to call up IBM and buy stock from IBM. Well, not many people do this but Anthony certainly knows what he's doing and he's prepared to do it. In Nebraska, to allow Anthony to do this purchase that he wants to make, we have to make it clear that no rule is being broken if he makes this kind of a purchase. And the Banking Department was asked, what do we need to do to make sure that this is okay, and we needed to change the definition of a broker-dealer, to make sure that Anthony is not a broker-dealer and that, in this case, IBM is not a broker-dealer. You know who broker-dealers are, they're stockbrokers, they're people that you go to as an intermediary in the purchase of a stock. We need to make it clear that neither of those two parties were broker-dealers. Why? Because they have special registration obligations. When Senator Withem brought us this bill, the first time around we tried to make it clear that Anthony Nebelsick was not a broker-dealer. We don't have to do that. On second thought, it became clear that the person who is selling is IBM, not Anthony, Anthony is buying. So, if there's somebody we need to make clear is not a broker-dealer, a seller, we needed to make sure that it's IBM that is not a broker-dealer. So what happens in the committee statement is the committee amendments make it clear that the issuer of the stock, IBM, if selling its own stock, is not a broker-dealer and