

therefore obligated to file the kinds of registration forms and disclosure forms that a broker-dealer normally does, that this is a company selling its own stock and that is stock that appears on one of the open stock markets, like Wall Street. And that's the purpose of the committee amendment. If it's adopted, Senator Withem will explain the virtues of the bill. It moves from declaring Anthony not a broker-dealer to declaring IBM not a broker-dealer in that transaction and upon second thought that seems to be the way to effectuate the goals Senator Withem had for his bill. I move the adoption of the committee amendments.

PRESIDENT ROBAK: Thank you, Senator Landis. Senator Maurstad.

SENATOR MAURSTAD: Madam President, would Senator Landis yield for a question?

PRESIDENT ROBAK: Senator Landis.

SENATOR LANDIS: Yes.

SENATOR MAURSTAD: Senator Landis, do you know, is this a prevalent practice across the country?

SENATOR LANDIS: For...to our knowledge it is available, generally, across the country. In other words, just like you can buy stock in a privately held corporation, this is not uncommonly available. It's where the broker-dealer definition is awfully expansive; because it's rare, sometimes the law seems to sort of get in the way. Anthony is a rare individual who's been playing the stock market, very knowledgeable and wants to do it on his own without going through a broker-dealer.

SENATOR MAURSTAD: So, if I understand your explanation then, there is nothing to preclude an IBM or somebody like that from issuing or selling stock without the use of a broker-dealer?

SENATOR LANDIS: No, and by the way, except for a provision like this in state law, there wouldn't be a prohibition at the SEC level. What we're tripping over here is a state law that's been overbroad. Companies get to sell their stock, Senator Maurstad, and that's a general principle that we both would acknowledge is a wise one.

SENATOR MAURSTAD: Thank you.