

February 2, 1995 LB 119

SENATOR LANDIS: You bet, sir.

PRESIDENT ROBAK: Thank you, Senator Maurstad. The Chair recognizes Senator Withem.

SPEAKER WITHEM: Just to indicate support of the committee amendment. It was one suggested by the Department of Banking after reviewing the language. The green copy of the bill probably became overly expansive and would allow some transactions that were not contemplated by the bill. The committee amendment narrows it down to the point where we really are talking about only those type of transactions that the bill attempted to allow, and those are the individual, who has done his or her own research, wishing to purchase a particular piece of stock directly from the issuer, that would be allowed. If the amendment were not adopted, it might allow...what this...what the amendment will allow, it will allow IBM to sell its stock directly to my constituent. Without this, IBM might have been able to establish a subsidiary and sell, not only IBM stock, but ConAgra stock and other types of stock, and so we were not wishing to do that. The amendment simply clarifies and tightens things up. Senator Maurstad, the question you asked Senator Landis regarding the degree to which this is allowed throughout the country, the best that we can tell is that there are probably fewer than ten states that continue to have the type of restriction that Nebraska now has. Most states, the ability of the consumer to go directly to the issuer without going through a broker-dealer is allowed. I support the committee amendment.

SENATOR HALL PRESIDING

SENATOR HALL: Thank you, Senator Withem. Senator Maurstad, on the committee amendments.

SENATOR MAURSTAD: Yes, could Senator Withem yield?

SENATOR HALL: Senator Withem, would you respond?

SPEAKER WITHEM: Yes, I could.

SENATOR MAURSTAD: Is there a system set up then, or is it a requirement that the...that a company like IBM register this stock sale with the SEC or somebody? Is there a tracking of