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LB 1018

Journal page 797.)

SENATOR CUDABACK: Senator Beutler, you're recognized to open on your amendment.

SENATOR BEUTLER: Senator Cudaback, members of the Legislature, this is a relatively minor amendment to the bill in question. There's a provision in the bill, to jog your memory a little bit, that a manufacturer or distributor shall not do several things, mainly related to control and operation of a franchise. On page 12 of the E & R amendments, starting in line 8, and on down to line 10 it identifies those things. One is to act in the capacity of a franchisee, a manufacturer cannot do that, or a distributor, for example. They cannot operate or control a franchise. And then there is another provision that says they cannot own an interest in a franchise. Well there are some franchises that are actually publicly owned corporations, apparently. And what this amendment would do would be to say that with respect to a publicly held franchise a manufacturer or a distributor can own stock in that publicly held corporation but cannot operate or control the franchise, it says, except that a manufacturer or distributor may hold stock in a publicly held franchisee so long as the manufacturer or distributor does not, by virtue of holding such stock, operate or control the franchise. So in other words, it gives a little bit of latitude in terms of owning stock, so long as they don't control. And I think that control is what we're aiming at here, and it may even be helpful to some local people if they're able to accumulate capital stock with the help of...or accumulate financing with the help of manufacturers or distributors. So that's all the amendment does. Builds in a little flexibility into the bill. And I think it's agreeable to the introducer of the bill, although I'm not altogether sure of that. Thank you.

SENATOR CUDABACK: Thank you, Senator Beutler. We are now discussing AM2544 to LB 1018. Senator Bromm.

SENATOR BROMM: Thank you, Senator Cudaback. I rise to support Senator Beutler's amendment. This amendment or the proposition of this amendment was brought to us as we were nearing the end of General File. And I asked him to hold it off until Select File, and he did that. And as I understand it, he's described