

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 13, 2003 LB 217

AM0316. Have you all voted who care to? Record, please, Mr. Clerk.

CLERK: 33 ayes, 0 nays, Mr. President, on adoption of Senator Quandahl's amendment.

SENATOR CUDABACK: The Quandahl amendment was adopted.

CLERK: Mr. President, Senator Beutler would move to amend, AM0306. (Legislative Journal pages 509-510.)

SENATOR CUDABACK: Senator Beutler, to open on your amendment.

SENATOR BEUTLER: Senator Cudaback, members of the Legislature, the amendment would strike Section 9 of the bill, which is a very minor portion of the bill. What was proposed in the bill was that board of directors of a trust company could authorize the transfer of real estate that is being held in trust or held in their own name. The old law required that they had to pass a resolution. This, what's proposed in the bill is that they could do it by simply notating the minutes of the board of directors meeting. I want to leave the law the way it is and require a resolution in order for to do these approvals. And the choice is, I think, simply this. You can favor facilitating transactions a little bit here by allowing them to notate the minutes instead of doing a resolution, or you can emphasize the responsibility of the board of directors to look at things by requiring the resolution where each one of them cast their vote and there is responsibility on the part of the board of directors, more responsibility. So I'm just offering you the choice of favoring the current law. It seems to me to be a poor choice at this particular point in time to encourage the distance between a board of directors and their officers and give the message to the public that in these times where there have been so many problems with management and the lack of oversight by board of directors that we continue to move into the direction of separating the board of directors and direct responsibility of directors from transactions signed off on by management. This is not a huge deal. Just a little message that I think we can send to the public, and I think it's a little better public policy. Thank you.