

February 25, 1974

PRESIDENT: Senator Murphy has re-called the house.

SENATOR MURPHY: Twenty-five to advance.

PRESIDENT: Yes, it takes 25 to advance, yes.

SENATOR MURPHY: If I can pick up two more, one more.

PRESIDENT: Clerk will record.

CLERK: 25 ayes, 17 nays, 7 not voting, Mr. President.

PRESIDENT: The bill advances. Senator Cavanaugh. LB721.

SENATOR CAVANAUGH: I move the adoption of E & R amendments to LB721.

PRESIDENT: The motion is to adopt the E & R amendments to LB721. Those in favor, say aye. Those opposed, say no. The amendments are adopted.

CLERK: LB721.

PRESIDENT: Chair recognizes Senator Carpenter.

SENATOR CARPENTER: I asked the Clerk to read the new and stricken matter.

CLERK: All right, the first one is insert two new sections to be known as Section 1 and 2 and read as follows: "Section 1 would amend 8-11501 and it reads as it presently is with this exception. "Except that in the case of an emergency so declared by the Governor, the Secretary of State and the Director of Banking, then the Director of Banking will take immediate action on any charter application or applications concerned without the benefit of a hearing." It would amend 8124 by striking at two of such meetings and simply go back to one meeting in lieu of.....strike two annual meetings, simply say an annual meeting. It would include banks, also a cooperative credit association. Then the other amendment is all new matter. Add a new section, "Violation of Act cease and desist order. Whenever it shall appear to the director that under the sale of any security is subject to registration under this act and is being offered or has been offered for sale without such registration. The Director shall order the issue or offer or of such security to cease and desist from the further offer or sale of such security unless it is registered under this act. Whenever it shall appear to the Director that any person is acting as a broker dealer, investment advisor or agent without registration as such, the Director may order such person to desist and cease from such activity unless and until he has been registered as such under this act. If after such an order has been made under sub-division 1 or 2 of this section, a request for a hearing is filed in writing by the person to whom such order has directed. The hearings shall be held by the Director, such hearings shall be held within 15 days after receipt of a request for hearing. Upon conclusion of such hearing, the Director may affirm, modify or vacate the order made under this section."

PRESIDENT: Yes.

SENATOR CARPENTER: These amendments have been approved and accepted by the Banking Department. The first amendment if you recall some months ago we had a state bank which went into the hands of the receiver somewhere around Gothenburg or somewhere in that area. Because the state law would not permit the issuance of a new state charter because of mechanics involved