

February 3, 1981

LB 43, 46

number of jurisdictions have introduced in their Business Corporation Act an affirmative statement in the standard of care for Directors. Recognizing this trend the Nebraska Bar Association determined it is desirable to provide a standard in the Nebraska Corporation Act which would promote uniformity in the development of the statutes to provide the basis on which a Director's performance should be judged. This section incorporates the good faith concept which has been viewed by the courts as a fundamental precept for many decades. I think I have provided you with a fair overview of LB 43. If you have any technical questions that I can't answer, I will get you the answer in short order. For those who feel a little nervous voting on this large a bill which contains many highly technical provisions, I would remind you, first of all, the vast majority of changes in this piece of legislation are permissive in nature. The corporations don't have to use many of these provisions if they do not wish to do so. LB 43 merely provides them the option of doing so if they desire. Secondly, I would remind you that all the public hearings held on the interim study resolution and the public hearings on LB 43 not one person appeared to oppose any of the changes suggested by LB 43.

SPEAKER MARVEL: You have twenty seconds.

SENATOR NICHOL: I have four lines. These provisions were adopted unanimously by the State Bar Association House of Delegates meeting. They are noncontroversial and in so far as I know have generated no opposition whatsoever. I move LB 43 advance to E & R Initial.

SPEAKER MARVEL: The motion is the advancement of LB 43 as discussed. All those in favor of advancing the bill vote aye, opposed vote no. You are voting on the advancement of LB 43. Have you all voted? Record.

CLERK: 28 ayes, 0 nays, Mr. President, on the motion to advance.

SPEAKER MARVEL: The motion is carried. The bill is advanced. Next bill, LB 46.

CLERK: Mr. President, LB 46 was offered by Senator Myron Rumery. (Read title). The bill was first read on January 8. It was referred to the Public Works Committee for public hearing. It was advanced to General File. The Public Works Committee does have committee amendments pending, Mr. President.

SPEAKER MARVEL: The Chair recognizes Senator Kremer.