

LEGISLATIVE BILL 650

Approved by the Governor April 6, 1987

Introduced by Haberman, 44

AN ACT relating to the Securities Act of Nebraska; to amend section 8-1108.01, Reissue Revised Statutes of Nebraska, 1943; to provide a penalty for violations; to provide for the disposition of the penalty as prescribed; and to repeal the original section.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 8-1108.01, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

8-1108.01. (1) Whenever it shall appear to the Director of Banking and Finance director that the sale of any security is subject to registration under sections 8-1101 to 8-1124 the Securities Act of Nebraska and is being offered or has been offered for sale without such registration, he or she may order the issuer or offeror of such security to cease and desist from the further offer or sale of such security unless and until it has been registered under sections 8-1101 to 8-1124 the act.

(2) Whenever it shall appear to the Director of Banking and Finance director that any person is acting as a broker-dealer, investment adviser, or agent without registration as such, he or she may order such person to cease and desist from such activity unless and until he or she has been registered as such under sections 8-1101 to 8-1124 the Securities Act of Nebraska.

(3) The director may, after giving reasonable notice and an opportunity for a hearing under this section, impose a fine not to exceed twenty-five thousand dollars per violation, in addition to costs of the investigation, upon a person found to have engaged in any act or practice which would constitute a violation of the Securities Act of Nebraska or any rule, regulation, or order issued under the act. The fine and costs shall be in addition to all other penalties imposed by the laws of this state and shall be collected by the director on behalf of the State of Nebraska and shall be paid into the state treasury and credited to the Securities Act Cash Fund. Imposition of any fine

and payment of costs under this subsection may be appealed pursuant to section 8-1119. If a person fails to pay the fine or costs of the investigation referred to in this subsection, a lien in the amount of the fine and costs shall be imposed upon all of the assets and property of such person in this state and may be recovered by suit by the director and deposited in the Securities Act Cash Fund. Failure of the person to pay a fine and costs shall also constitute a forfeiture of his or her right to do business in this state under the Securities Act of Nebraska.

(4) ~~if~~, ~~after~~ After such an order has been made under subsection (1) ~~or~~ (2) or (3) of this section, if a request for a hearing is filed in writing by the person to whom such order was directed, a hearing shall be held by the director within fifteen days after receipt of the request. Upon conclusion of such hearing, the director may affirm, modify, or vacate the order.

Sec. 2. That original section 8-1108.01, Reissue Revised Statutes of Nebraska, 1943, is repealed.