



One Hundred First Legislature - First Session - 2009
Introducer's Statement of Intent
LB 528

Chairperson: Rich Pahls
Committee: Banking, Commerce and Insurance
Date of Hearing: February 3, 2009

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB528 enables greater efficiency and cost savings for Nebraska businesses using existing technology.

In 2007, the U.S. Securities and Exchange Commission adopted new electronic proxy delivery rules to allow publicly traded companies to provide shareholders with internet access to proxy materials and annual reports in connection with shareholder meetings. These rule changes allow public companies to reduce printing and mailing costs, maximize the ease of shareholder access to proxy materials, and minimize the risk of a shareholder authorizing a proxy without having access to proxy materials.

LB 528 amends the Nebraska Business Corporation Act (NBCA) to ensure that Nebraska corporations are able to both deliver notice of shareholder meetings and proxy materials electronically and allow shareholders to authorize voting by proxy through telephone or internet. In addition to providing a new cost-saving saving measure for Nebraska businesses, amending the NBCA to allow Nebraska corporations to take full advantage of the SEC electronic notice and proxy rules enables Nebraska to compete with other states, such as Delaware and California, which have already amended their respective statutes to incorporate these SEC rule changes.

Principal Introducer:

Senator Tony Fulton