

**MEMO# 2475**

January 16, 1991

## **LEGISLATION INTRODUCED IN NEBRASKA TO AMEND INDEFINITE REGISTRATION PROVISION AND PROVIDE FEE RELIEF**

January 16, 1991 TO: STATE LIAISON COMMITTEE NO. 3-91 RE: LEGISLATION INTRODUCED  
IN NEBRASKA TO AMEND INDEFINITE REGISTRATION PROVISION AND PROVIDE FEE RELIEF

As we previously informed you, the Institute submitted a memorandum to an Interim Committee of the Nebraska Legislature recommending possible means of reducing the registration fee burden for mutual funds. (See Memorandum to State Liaison Committee No. 21-90, dated September 13, 1990.) We are pleased to inform you that legislation has been introduced to amend Section 8-1108 of the Nebraska Securities Act to provide for a "true" indefinite registration procedure. The proposed amendment provides that a mutual fund may elect to register an indefinite amount of securities by paying an initial fee of \$1,000 with the application for registration. Within sixty days after the registration expires, the fund must file a sales report reflecting actual sales in Nebraska during the registration period and pay a registration fee based on the actual amount of securities sold. The registration fee is one-tenth of one percent for the first ten million dollars and one-twentieth of one percent of the remainder. The initial filing fee of \$1,000 shall be deducted from the total registration fee due; if the total registration fee results in less than \$1,000, no refund or credit will be given for that amount. Currently, the Nebraska indefinite registration provision requires payment of an initial registration/renewal fee in an amount equal to the total registration fee paid for the preceding registration period. Within sixty days of the expiration of the registration period, a sales report must be filed and an additional fee of one-tenth of one percent of the excess securities sold during the registration period must be paid. If the fund sold securities less than the number for which the registration fee was paid, a credit was given (maximum credit \$10,000). \* \* \* We will keep you advised of further developments. Patricia Louie  
Assistant General Counsel