

SENATOR WARNER: (inaudible.)

SPEAKER NICHOL: We have an amendment to the proposal. Let's take that up now.

CLERK: Mr. President, the first amendment I have is offered by Senator Schmit and Senator Vickers. That amendment is on page 381 of the Journal.

SPEAKER NICHOL: Which one of you gentlemen wish to speak first? Senator Schmit.

SENATOR SCHMIT: Mr. President and members of the Legislature, this amendment was drawn by Senator Vickers and myself because we recognized that there are many aspects to the present financial condition which affects the State of Nebraska that extend beyond that which faces the individuals who happen to be the unfortunate depositors in Commonwealth Savings. We recognize that the situation which developed with Commonwealth is not the first...was not the first, will not be the last financial institution that gets into jeopardy. Whether or not this state and this Legislature has the ability to assist those institutions remains to be decided. But I believe that the majority of the individuals in this body recognize that unless there is some kind of state support for various financial institutions, including Commonwealth and including others, that we will find more serious developments in the next six months than we have seen in the past year and three months. I can forecast very accurately, I believe, based upon my conversation with business men, farmers and bankers that there are institutions that will be in need of assistance in the next few months. I hesitate to criticize the Federal Deposit Insurance Corporation on the floor because I know they are only carrying out their responsibility, but I can tell you that the experiences that we have had at David City since the closing of the David City Bank have not been anything that I would want to wish upon your community. I would just suggest...I have said in print bankers that I know who are familiar with this situation have said they felt that it would have cost less money to keep the David City Bank in operation than it will to close it. In addition, of course, the trauma, the interruptions in business, the lack of confidence in the community has cost the community of David City additional millions of dollars. Each day we find additional reason to be concerned. Senator Lamb, Senator