

a covey of reporters covering the matter, and obviously the public at large was very, very interested and concerned about the issue. Well, I guess a lot of people would like to put the issue behind us and forget about it. But let me tell you that it cannot be forgotten. The tragedy that struck and the loss of money that those people suffered is still there. They haven't gotten one dime back in almost two and a half years. It seems to me that we have yet to place the issue behind us and resolve what we did to those people in terms of the misleading advertising and the guarantee which was not a guarantee, and it is time that we recognize the fact that we have not yet settled the claim that was made by the Commonwealth depositors. There is so much to go over with this effort, and I think it is probably important that we try to rehash, I guess, in a sense the issues that have come before us. The failure of the institution took effect November 1, 1983. We followed with a special committee chaired by Senator Johnson in '84, but that committee primarily focused in on the issues involved with Mr. Douglas as Attorney General, and we took action to impeach Mr. Douglas, and it seemed as though that was really our focus in 1984. A report was issued by that Commonwealth committee which would indicate, for a number of reasons, that they felt the state wasn't liable for the money lost by those depositors. I disagree with that report, but that was what was issued in 1984. We came back in 1985 with two claims, a miscellaneous claim and a tort claim to try and bring back \$20.5 million to the depositors. It is estimated that they actually lost \$41 million, so we were only trying to provide half of their loss back to them. Obviously we were not able to get the \$20.5 million. We instead only provided \$8.5 million, which is 8.5 million more than they had, but certainly 12 million less than what I think was a fair proposal, and about \$32 million, \$32.5 million less than actually is estimated to be lost. Now that is the situation bringing us up to date, and we are back to ask you to revive LB 1029 which would provide for \$12 million through a bond issuance involving the State Office Building, to provide that money to the Commonwealth depositors. Now right now the Commonwealth issue is yet to be decided because the Occidental proposal to merge with Commonwealth has not been voted on. It is being prepared probably later this month, or I should say in March they will vote on that matter. But no matter how you look at the situation it is unlikely that these people will ever get more than half their money back, if that, with the situation the way that