

March 27, 1973

SENATOR DUIS: Mr. President, the Committee made the amendment.. On Page 2, lines 16 and 17, we reinstated the stricken matter there and, also, put in the amount of up to five per cent of their assets in order to keep positive control. And then, of course, we added the phraseology which would provide that insurance company shall be approved by the Department of Banking as well as the Department of Insurance and shall transact no other business. In other words, the Committee put it under the control of the two departments so that they would have a cross reference to check and balance and I think that would constitute the Committee amendment and I ask for its adoption.

PRESIDENT: Any further discussion of the Committee amendments. The question is shall the Committee amendments be adopted. All those in favor say aye. Those opposed say no. The Committee amendments are adopted. Back to you, Senator Savage.

SENATOR SAVAGE: I have another amendment on the desk.

CLERK: Yes, and, also, Senator Carpenter has an amendment on the bill. Read.

PRESIDENT: The chair recognizes Senator Carpenter.

SENATOR CARPENTER: I move for the adoption of the amendments. This is a very simple amendment but it is very effective. If you go and make a deposit in the building and loan today, for example, you sign a card on both sides. One is a signature card and the one on the other side is the assignment of that proxy to the building and loan. This is the only area that I can recall, specifically, where that happens. The adoption of this, then, would say that in every case the depositor would maintain his own proxy unless he wanted to give it to the building and loan as a result of their request which would be the normal procedure, and I think the buildings and loan ought to be more democratic and I don't think that the ownership and the direction should be so in those who operate...have the position of the direction of the building and loan. This, for all practical purposes, curbs the people from ever having anything to say about the operation of a building and loan, in so far as to set direction or its financial problems are concerned. There is some of these building and loans, for example, who the heading of the Directory gets pretty close to a hundred thousand dollars a year, and there on down. I think this thing ought to be subject to the real of those people who make it possible for these people to go on there kind of salaries. So you will not be misunderstood, this bill says, in every case, if you went in and made a deposit, you would not give them a proxy at that time. You would retain it. If in the future they wanted there proxy, they'd contact you and then you would have the option of whether or not you wanted to give it to them or not.

PRESIDENT: Senator Duis, do you care to respond?

SENATOR DUIS: Mr. President, I would like to have the amendment read, again, if you don't mind, please.

PRESIDENT: Will the clerk read the amendment?

SENATOR DUIS: Thank you.

CLERK: The..do you want the whole paragraph or just the new sentence? The new sentence would read, "The proxy shall remain in the possession of the investor or depositor."

SENATOR DUIS: In other words, Senator Carpenter, what you are saying here is that the investor would have...is the voluntary...give his proxy voluntarily. That they should not