

examiner could not set the level at zero if, in fact, that was the appropriate level. I am not arguing the merits of the bill in total, just the fact that the Amendment 4 part really makes the bill more palatable from your standpoint, as I understand your point, than it did...than it would be without Amendment 4.

SENATOR CHAMBERS: Thank you, Senator Lamb. It is not more palatable from my...I was asking Senator DeCamp some questions and he was giving his reasons as to why he thought the bill may not be necessary or may not be that good. But the proposition, the philosophy or the policy being placed in the bill is saying that you are not going to look at factors that bankers...that banks have customarily looked at in making judgments or that the Banking Director could look at in making a judgment. So if a bank has some outstanding real estate loans and those loans represent the collateral, I mean if the land represents the collateral and let's say there is no machinery or anything else in it and the real estate has no value, let's say that somebody improperly assessed it in the first place and it has no value and the examiners come in and they find out that the land behind this loan is worth nothing, the loan cannot be classified because the collateral on which the loan was given is still there. The statute is saying that regardless of the fact that that land has no value in anybody's judgment, the statute has attributed the same value to it that it had at the time the bad loan may have been given. Maybe the loan shouldn't have been given. But you can't change the amount...I mean, you can't classify the loan because the assessed value is such and such and maybe the assessment was wrong in the first place. I just don't think something like that ought to be put in the statutes as a policy. And I would like to ask Senator Eret a question to see if I am misstating what he is thinking about. Senator Eret, I am postulating an example where maybe there was an improper assessment so I can get at what I want to ask you, or maybe the assessment was not improper, but at the time the examiners come in circumstances have altered to such an extent that that land, in fact, has no value, period. If this bill were in place, the examiner could not consider that land as having less value than the assessed value. Isn't that correct?

SENATOR ERET: That is right.