

those same capital requirements then. It would at least give the Director of Banking the authority to impose it. It is "may" instead of "shall" but it would give him the authority to impose those same capital requirements on the remaining industrial loan and investment companies and, of course, that is if they are insured by the FDIC. To the best of my knowledge, now that would include just about everyone, wouldn't it? I guess there is still a couple out there but, otherwise, it would impose the same capital requirements or give the director the authority. The final thing in these amendments is a point just as a safety device for bank takeovers and that is this. It provides an opportunity for a hearing in the event a bank or other financial institution is taken over by the department and thus removes any question about the constitutionality of the procedure which has been authorized by the Legislature in the event of an emergency situation. And so as you know, we have had to take over several banks, and when it occurs, it occurs and has occurred almost instantly. There have been some rumblings in advance maybe that some people have heard about, but when it actually occurs, it is like a blitzkrieg and the reason this has been done was it was an emergency situation and we wanted to minimize the damage from runs and other things. However, there are some that raised the constitutionality of that procedure, and since it is obvious we are going to have more of these situations, we want to make sure that we don't get ourselves as a state or a Banking Department exposed to any liability. So this would allow a procedure for a hearing should that institution that is going to have emergency measures taken, should they choose, there would be a constitutional right to have a hearing. Whether the institution would ever want it or request it or demand it, of course, is another question but it would be there. It is so to speak in a way a two-edged sword. If they want the hearing, they may be cutting their own throat. At the same time, it is there. Those are what the amendments are. I would try to answer any questions. I do have one additional amendment after this that I will offer separately and that has to deal with the entire thing for the future on the State Banking Department being in the receivership business.

PRESIDENT: Senator Haberman, do you wish to speak on the amendments offered by Senator DeCamp?

SENATOR HABERMAN: I will pass, Mr. President.