

PRESIDENT: Okay, Senator Higgins. The order is fine in the Chamber now. If we can keep it quiet that way, we will hear the speakers speak. Thank you. And I also want to announce that the Howard and Sherman and Greeley County Extension people are up in the north balcony accompanied by Deanna Klintworth of Wolbach, the coordinator of the group. Thank you very much for coming. Senator Higgins.

SENATOR HIGGINS: Thank you, Mr. President. I would like to ask Senator DeCamp a few questions.

PRESIDENT: Senator DeCamp is available.

SENATOR HIGGINS: Do these amendments deal only with state chartered or all banks?

SENATOR DECAMP: Of course, they affect only those institutions where the State Department of Banking would have control or have involvement so I am going to say, generally speaking, only state chartered institutions which, of course, is state chartered banks, state chartered industrials, credit unions, savings and loans, or whatever they are called.

SENATOR HIGGINS: Okay, thank you, Senator. Another question, one of your amendments says that it would allow the department to do something other than close a bank when the bank's blanket bond is cancelled? Now as everyone here knows, when a bonding company bonds anyone, a bank, a contracting firm, anyone, it is identical to cosigning a note, a loan, for the amount of that. Now my question would be this, inasmuch as the bonding companies have the greatest interest in the bank since they provide that bond, they are going to be scrutinizing those banks very, very closely and I would wonder why a bonding company would want to cancel a bank's bond unless they, themselves, knew that bank was in trouble or headed for trouble, and inasmuch as we have a State Banking Department, why wouldn't the Banking Department catch those problems in advance of a bonding company who usually when they bond you they only go in about once a year and check your assets and liabilities? Could you tell me that, why wouldn't the Banking Department do that, I mean why wouldn't they be ahead of the insurance companies on it, the bonding companies?