

SPEAKER NICHOL: You've heard the motion. All in favor say aye. Opposed nay. They are adopted.

CLERK: Mr. President, I now have an amendment from Senators DeCamp, Schmit, and Pappas found on page 1081 of the Journal.

SPEAKER NICHOL: Senator DeCamp, are you handling that?

SENATOR DECAMP: Mr. President, I'll be very brief. You've all been talked to, every member of the Legislature, relative to this amendment. Suffice it to say it is an important amendment and a big bill once you put the amendment in. What it allows is a different system of bookkeeping, basically, so that loan losses of banks could be amortized over a period of five years rather than having to be taken immediately, as is the current law. Let me not minimize the significance of it or even some potential risk. In other words, it is betting on the future in a significant sense. We are hoping and believing that over the next five years conditions will improve, and therefore this policy makes sense. The practical applications of the amendment are very simple. It probably would allow as many as 10 or 15 banks, that might be closed this year and the same number next year, to remain open and keep operating. With that said, I ask you to adopt the amendment. As I say, I know you have all been briefed on it thoroughly, individually. And I tell you it is an important amendment.

SPEAKER NICHOL: Senator Harris, please.

SENATOR HARRIS: Mr. President, members of the Legislature, I do want to let everyone know that I am fully aware of the implications of this amendment. I am going to support it. But I think it is the wrong direction. We are doing it in the savings and loan industry as well as in the banking industry. We are simply postponing our problems. It is going to come back to haunt us. But the alternative is not very good. We are ultimately putting this load back upon the taxpayers of the United States with the full faith and credit guarantee on the FDIC and FSLIC depository institutions. Thank you, Mr. President.

SPEAKER NICHOL: Senator Chambers, please.

SENATOR CHAMBERS: Mr. Chairman, I'm not going to delay the bill. I just have one comment to make. The banks are asking