

April 25, 1975

He assured me that they did review the bill. That was the occasion for the one amendment. It is perfectly acceptable in this condition. He feels that there is adequate supervision. I think it boils down, principally, to the fact, Senator Dworak, that this is a committee of shareholders in this organization. As far as their real evaluation goes it would not be too great. Really the only audit that is worth having any institution do anymore is a direct audit on a mail out and return basis. The sort of thing that brought about discovery of a couple of banks several years ago who did have problems. The Department says that this is entirely adequate. This procedure satisfies them completely.

SENATOR DWORAK: But isn't that in reference to loans, rather than in reference to securities, cash and investments of the credit unions? It seems like we're taking this responsibility out of it altogether.

SENATOR MURPHY: Well you do to a degree, Senator. You must also remember the Department conducts regular audits. As I say, the board of this group has got to be a bunch of fellow employees somewhere truly, whose review of these situations would probably be not too meaningful anyhow.

SENATOR DWORAK: Thank you.

PRESIDENT: Senator Murphy, do you want to close on the amendment?

SENATOR MURPHY: No, I would waive to Senator Swigart. As I say, actually this is a . . . the full intent of this is a housekeeping, a bringing up-to-date of certain functions, and the Department's in complete agreement with it.

PRESIDENT: Alright, fine. Is there anything to reply to Senator Swigart?

SENATOR SWIGART: No, I think not. We did check with the Banking Committee on this finished amendment. They are not opposed to it. Apparently they feel that it's in order. I think it's almost entirely housekeeping. I move that LB 452, as amended, be forwarded to E & R initial.

PRESIDENT: Senator Swigart, we have to adopt the amendment first. The question is the amendment. Record your vote. Please vote promptly. Record.

CLERK: 26 ayes, 0 nays.

PRESIDENT: The amendment passes. Now Senator.

SENATOR SWIGART: Mr. President, I move that LB 452 be advanced as amended.

PRESIDENT: The question is the advancement of 452. Any discussion? Record your vote. Record.

CLERK: 26 ayes, 0 nays.