

May 6, 1987

LB 297  
LR 112

testimony before the committee it was asked of Barry Lake, who was one of the people in the Department of Banking, when did you finally know for sure that Commonwealth was insolvent? And he said, well, it was at a time when Mr. Amen knew it was insolvent when he was at a conference of the American Bankers...

SPEAKER BARRETT: One minute.

SENATOR McFARLAND: ...Corporation in Honolulu. If you'd check that, that occurred between October 12 and 16 of 1983. They knew it was insolvent then, but yet they did not close it down until November 1st. During those last two weeks, \$495,000 was deposited into that institution, even though the director knew that it was insolvent, and Mrs. Dudek's \$16,000 life savings was a part of that. It is a state issue. Commonwealth was nursed along because it was the fear of the Banking Department that if it were declared insolvent earlier, that there would be 56 other miniature Commonwealths, because if there was a run on these industrial savings and loans across the state in Alliance, and Chadron, and Nebraska City, and wherever, they would all go under, so they nursed Commonwealth along...

SPEAKER BARRETT: Time.

SENATOR McFARLAND: ...and they saved the other institutions by their delay, but they made the Commonwealth people the victims for all the other people in the state that had deposits in these institutions. I ask you to do what is right and just and to bring this bill to the floor for further debate.

SPEAKER BARRETT: Thank you. You've heard the closing. The question is the matter of placing LB 297 on General File pursuant to Rule 3, Section 19, subsection (b). Those in favor of that motion please vote aye, opposed nay. Voting on placing 297 on General File. Have you all voted? Record, Mr. Clerk.

CLERK: (Read record vote as found on page 2049 of the Legislative Journal.) 13 ayes, 20 nays, Mr. President, on the motion.

SPEAKER BARRETT: The motion fails, and the bill shall stand indefinitely postponed. Anything for the record?

CLERK: Mr. President, yes, I do. Thank you. I have a new resolution, LR 112. It is offered by the Judiciary Committee. It calls for an interim study with respect to conflicting rights