

March 21, 1989

LB 371

bill to keep the refrigerators going to keep the beer cold, doesn't the...isn't this one of those things that the manufacturer ought to be able to know, ought to be able to find out?

SENATOR ASHFORD: And I think they can get monthly financial statements and I think...and that's fine, there is no problem with that, but the problem is with audited, you don't need audited financial statements.

SENATOR WITHEM: Okay. So your question is on the auditing itself, the auditing provision itself.

SENATOR ASHFORD: Yeah...

SENATOR WITHEM: Not on the financial statement.

SENATOR ASHFORD: ...make...if you supply a financial statement that is incorrect, that's fraud even if it is audited or not audited.

SENATOR WITHEM: Okay. So in number 9, the term...I guess I read this, you can't require a wholesaler to submit audited profit and loss statements, you can't submit those. You can't force them to submit balance sheets and you can't force them to submit financial records at all.

SENATOR ASHFORD: Audited profit and loss statements, balance sheets or financial records.

SENATOR WITHEM: So our question is, I guess it's kind of an English teacher sort of thing, but it's a fairly critical one here is, does the word in your opinion, is it your intent that the word "audited" modifies not only profit and loss statements but also audited balance sheets and audited financial returns?

SENATOR ASHFORD: Yeah, they can certainly get financial information but I don't think they need to be required to have audited financial information.

SENATOR WITHEM: Do you think that is clear with the wording of the bill and the legislative intent here?

SENATOR ASHFORD: Well, we can make it clearer between now and Select Committee.