

the receiver, the Banking Department, and the State Legislature in which we appropriated \$8.5 million. Let me read to you a section of the law on our part authorizing the \$8.5 million. In Section 2 it states, it is specifically understood and agreed that this release shall not prejudice or prevent the Department of Banking and Finance of the State of Nebraska as a receiver of Commonwealth Savings Company from attempting to obtain an additional appropriation from the Legislature. Now the State of Nebraska, as such legislative body, may, in its discretion, determine to be appropriate in the public interest or to meet any moral obligations of the State of Nebraska. I do not know of a successful claim against the state by Commonwealth depositors nor, given recent Supreme Court action, is there a successful claim by State Securities depositors or American Savings depositors. The courts so far have utilized the exceptions in the law which relieve the state of liability for the discretionary acts of its representatives and bureaucrats and in so relying have found no legal liability on the state's part in this area. It is not the claim of proponents of 356 that either the Commonwealth depositors or the American Savings and the State Securities depositors are entitled to recovery based on a legal claim which is either now in the courts or would be successful were it to be taken to the courts. I don't think you can read the court cases to say that. We do have a court-approved settlement between the state and the receiver, although the depositors themselves, over 900 of them, petitioned the court saying we do not accept this award. And, secondly, the Legislature at the time it authorized the 8.5 million appropriation, did not foreclose the prospect of successful action today. It specifically accepted this kind of action, action in which, due to the moral obligations this body should feel with respect to depositors, make amends along the lines of the guaranteed amounts which the state participated in with respect to NDIGC. So there is no successful legal claim right now. There is no legal settlement for State Securities of American Savings. There is a court-approved settlement between the state and the receiver with respect to Commonwealth to the tune of \$8.5 million, but which specifically, on the Legislature's part, recognizes the prospect of action on a day like today in which we as a body decide to make whole, depositors who relied on the State of Nebraska...

SPEAKER BARRETT: One minute.

SENATOR LANDIS: ...over and above that \$8.5 million settlement.