

done in connection with any federally insured or guaranteed loan must be made by state licensed or state certified appraisers. Nebraska already has licensed appraisers. However, Title XI, as passed by the Congress, requires us to change the law so that we will be in compliance with some additional federal requirements. We need to pass the bill in 1990, so that appraisers can begin to take the appropriate examinations, the appropriate courses to get licensed or certified in preparation for that July 1, 1991 deadline. We need to get the new appraiser licensing and certification board in place before then. We need to get them approved by the federal appraisal subcommittee. If we don't, anyone buying a house or other property, after July 1, 1991, and financing it through an FDIC insured institution, could find the appraisal being made by an appraiser outside the State of Nebraska. It's estimated that 95 percent of real estate transactions will be federally related, and they will require federally approved state licensed and certified appraisers. So, we're working with some preliminary guidelines as handed down, the last one, February 28th from Congress. They are preliminary from the federal level. We could expect some changes perhaps next year. But I think we need to implement this bill now, this year, appoint the appraiser board and allow the continuing education and examinations to proceed. So, with that, Mr. President, I would urge the body to adopt and advance the bill. Thank you.

PRESIDENT: Thank you. Senator Schmit, please, followed by Senator Nelson.

SENATOR SCHMIT: Mr. President and members, I concur fully with what Senator Barrett has said. And I agree with the intent of the bill, and I agree that it should have been done a long time ago. And I agree that Nebraska was far ahead. My principle concern at the present time is that we seem to want to look to the future and say we're going to do this and we're going to prevent chicanery in the future. The facts are that the reason the savings and loan industry lost a lot of money was because the problem was originally precipitated by the deregulation of the cost of money. But once the...once the chicanery and the mischief began, then caution was thrown to the winds. I read an article in the Wall Street Journal, some time ago, there had been 29 prosecutions for illegal activity of individuals associated with the savings and loan industry. There had been 15 convictions, and not one individual had been sentenced to a single day in jail. Now, ladies and gentlemen, that gives