

to take that a part of the appropriation, which would become effective, which is in the coming year, for about \$16.9 million. The rest of the bill would be ineffective because, of course, it's not done in the appropriate time frame. And so, in the event you're voting on this measure the second time, which is after it fails without the E clause, you're then voting for a \$16.9 million appropriation, and so you're not voting for the original number in the bill. Secondly, with respect to the measure itself, Senator Haberman makes a good case, and I understand it, this Legislature was not called upon to respond at that time. There was not an organized effort and so the time has come and gone to respond to that particular individual crisis. My guess is that they will come in the future. We see them in our claims bills. We make appropriate responses. I hope when that day comes that I am as compassionate as I am asking this body to be on this issue. But there is a fair reason to grant relief in this situation. Others have been harmed by the negligence of the state. What I passed out to you today were, for example, a list of 40 transactions of forgeries, strawman loans and thefts, which were discovered by the Highway Patrol or in part were known by the Banking Department during the time that Commonwealth was operating. You have a statement of the State Securities filing in which the department's knowledge of what was happening in the depositors' institution is alleged to before a court of law. It went unrefuted. It says, basically, that the department knew but took no action. What you have is a statement by the special receiver upon immediately the closing of the depositors' institution to analyze it saying that he found dozens and dozens of illegal strawman transactions when there was no money that was changing hands in an appropriate fashion. His conclusion was, by the way, that in 1970 the Banking Department should have been aware that there was improper record keeping on the borrowers, that there was never a credit file at Commonwealth, as best as I can tell, that it operated as a real estate development company. Basically, what the...what our representative says, that he thought it would be impossible in a regulated industry for a company to run...to be run this badly but that apparently it was allowed to happen. Lastly, a summary of bank examiners' reports which show well before NDGIC came into existence that our Banking Department knew that there was not adequate credit information, that there needed to be better supervision, that there were delinquencies, that the capital structure was in decline and that those kinds of claims occurred over and over and over again, as a matter of fact, for one, two, three, four,