

wise idea to make sure that we don't immunize standard business records which is what the committee amendments do and I would urge for their adoption.

**SPEAKER WITHEM:** Senator Beutler.

**SENATOR BEUTLER:** Senator Landis, this looks very familiar to something that Senator Kristensen is sending through the Natural Resources Committee and so I wanted to ask just a couple of things quickly about it. With respect to liability, how does this bill relate if at all to any liabilities the banks may have with respect to either regulators or to, I think I understand what you're saying about civil suits and that kind of thing, but what about violations of banking law and that sort of thing?

**SENATOR LANDIS:** There is no change in liability. There is no change in what one is or is not responsible to provide a regulator, denying a cause of action. The bill has to do with whether or not a certain kind of document would be admissible in evidence or discoverable for any of the existing causes of action civilly that would exist. And it says that one kind of document is immune from discovery and admission into evidence and that's the compliance review committee's work product.

**SENATOR BEUTLER:** Okay, if I do one of these audits and I discover that I'm in violation of some regulatory provision and that they could possibly fine me for \$5,000, can I 'fess up to the federal government and avoid liability or fines or penalties? Does it have anything to do with that kind of thing?

**SENATOR LANDIS:** No. If the government, now remember that this doesn't apply in a criminal case where let's say there was a knowing, the element of knowing this, willfulness was at issue, then I think this would not apply, but in a civil case you couldn't look to this document as an admission of wrongdoing. If there was wrongdoing, it would be established through the loan committee's work, the loan forms, the red lining that might have been done and those kinds of things. What you couldn't do is pull this one out and say, ah, you see, here it is in your own committee compliance review committee, therefore, that proves our case that you've been negligent and win a court case based on that piece of evidence. I don't know whether that's wise or not. I think Senator Kristensen is responsible...

**SENATOR BEUTLER:** Can regulators get that information or it's