

January 10, 1989

LB 313-323
LR 5

Executive Board, Room 2102 for purposes of referencing, right now.

SPEAKER BARRETT PRESIDING

SPEAKER BARRETT: More bill introductions.

CLERK: Mr. President, new bills. (Read LB 313-322 by title for the first time. See pages 167-69 of the Legislative Journal.)

Mr. President, in addition to those items, I have a Reference Report referring LB 238 through 279.

Mr. President, new resolution. (Read LR 5 for the first time. See pages 171-73 of the Legislative Journal.) Mr. President, that resolution will be laid over.

Mr. President, I have one last bill. (Read LB 323 by title for the first time. See page 173 of the Journal.) That is all that I have, Mr. President.

SPEAKER BARRETT: Thank you, Mr. Clerk. The Chair recognizes Senator Crosby.

SENATOR CROSBY: Mr. Chairman, there being no further business to come before this body at this time, I respectfully move that we adjourn until Wednesday morning, January 11th at nine o'clock. Thank you.

SPEAKER BARRETT: Thank you, Senator Crosby. You've heard the motion to adjourn. Those in favor say aye. Opposed no. Ayes have it, motion carried, we are adjourned.

Proofed by: Arleen McCrory
Arleen McCrory

PRESIDENT: We will move on to LR 5, please.

CLERK: Mr. President, LR 5 offered by Senator Schmit and Senator Chambers. It's found on page 171 of the Journal. (Read LR 5.)

PRESIDENT: Senator Schmit, are you going to start this?

SENATOR SCHMIT: Mr. President and members, this resolution is a follow-up resolution to the one which was adopted during the special session of the Legislature. At that time, that resolution was very narrow in scope and general in its outline. This resolution delineates and defines the nature and the scope of the problem and further outlines the direction in which the committee expects to proceed. It also names the members of the committee, names myself as Chairperson and Senator Ernest Chambers as the Vice-Chairman. It also appropriates \$100,000 for the work of the committee. When we adopted this resolution, or the previous resolution during the special session, none of us were aware of the scope or the magnitude of the problems that have since developed with the Franklin Credit Union. There has been one hearing held by the Executive Board, behind closed doors, which developed information which was startling to most of us and which, of course, we feel very strongly deserves to be investigated further. Senator Chambers and myself have each, and I know others of you have also, been apprised of certain information relative to the activities of various individuals who were involved in the Franklin Credit Union, state agencies, various offices and other associated areas of government which causes us some concern. The committee, in my opinion, faces a monumental task. It is one which I believe we have a responsibility to pursue. It is an area which I am sure, and I say this here for the record, would not have been pursued as diligently had not this committee been created. I recognize and appreciate and am very appreciative of the fact that Congressman Bereuter has called for an investigation by a special committee of the House and that Senator Jim Exon has called for an investigation by the Senate Banking Committee. I believe that all those investigations are in order. Senator Chambers has very laboriously and very thoroughly and very painstakingly put together a series of articles which outline some of the history that has taken place since the credit union failed and, of course, we are in the process also of trying to determine some of the problems that led up to its failure. I have asked five other members to serve as members of this committee, along with

myself and Senator Chambers, Senator Jerome Warner, Senator Bernice Labedz, Senator Dan Lynch, Senator Dennis Baack and Senator Jim McFarland. The committee is made up of three members of each political party and one member of the New Alliance Party. It is made up of three Democrats and three Republicans. It is made up of the three individuals who live in Omaha in the area directly impacted by the Franklin Credit Union. Senator Lynch and Senator Chambers are both in the area where their principal office impacts upon their districts and the Franklin Credit Union has a branch office in south Omaha which is in Senator Labedz's district. It also provides for two legislators from Lincoln and it provides for two outstate legislators. We kept the committee size small because we feel there will be many committee hearings and it is difficult enough to get seven people together, but to get nine or 10, or 11, would probably be an almost impossible task. The resolution also contains language which states that if any member misses three consecutive meetings or five total meetings of the committee, that member is no longer a member of the committee. I would just like to say that I appreciate those legislators who would have liked to have served but who felt that that provision might interfere with their ability to serve in the manner in which they wanted to serve and, therefore, declined the opportunity to serve as members of the committee. I would want to say again that for the information of those who are concerned about any of the Whereases of this resolution, this resolution was prepared very carefully and I believe they are all in order. I would say also that the amount of \$100,000 is not out of line, in fact, it is probably a conservative amount. I want to remind you that we will have to have the very best advice and counsel and certainly, as individual legislators, we need to be conscious of our responsibility not only to find those individuals who are guilty of wrongdoing, if that is, in fact, true, but also to protect from any kind of abuse those individuals who are not guilty but whose names might in one way or another be associated innocently with the Franklin Credit Union. Last of all, I would like to just point out that my original concern for the introduction of the resolution was based upon the fact that I had, in my own district, a number of financial institutions which were closed during 1983 and '84 and that when those institutions closed many innocent individuals suffered loss of credit facilities. Many individual businesses were unable to continue to operate in the manner which they had been accustomed and I was determined that that would not happen here if it were possible for us to find out what happened and

then also, of course, possible for us to assist in getting some kind of financial services back into operation to replace those that were lost when Franklin Credit closed. There are a large number of people who depended very heavily upon the Franklin Credit Union. I do not know to what extent they served the needs of the north Omaha community but I do know that they served it to a certain extent. It is unfortunate that those services are no longer available to the individuals who live in that area. I would hope that the investigation will proceed on an orderly basis and I want to assure you that I did participate in other investigations. I have visited with members of the Legislature about the format and we certainly want to conduct a most orderly and thorough investigation. I promise to you that wherever the investigation leads we will follow. There will be no cover-up. There will be no apologies. There will be no other kind of defections. I would hope that the result of the investigation will be to assist us in outlining statutes that would, hopefully, keep such an event from occurring again. I want to say this, there are those who say because this is a federal institution that the Nebraska Legislature should perhaps not be involved in an investigation. Nonetheless, we are now aware that a number of state laws have certainly been broken, a number of individuals who work under the auspices of this Legislature may have not acted properly and it is up to us to investigate that and see if we can do something to correct it. With that, Mr. President and members, I would like to ask Senator Chambers to make some comments. He is very well informed on the issue. He is very intent upon pursuing it in the same manner which we have discussed. And I would also invite any other member of this body to comment and I would be free and I know that Senator Chambers will be willing to answer any questions which anyone might have of either of us. Thank you, Mr. President.

PRESIDENT: Thank you. Senator Chambers, please.

SENATOR CHAMBERS: Mr. Chairman and members of the Legislature, I think Senator Schmit gave a fairly good overview of what is entailed and what it is that we expect to do as a committee. But there are a lot of issues that have been raised by the way the World-Herald has reported on the subject. The questions are raised because the articles written don't answer them. For example, there have been a number of forged church documents. If these forgeries occurred at the hands of people within this state and there were others who acted in consort with them, that

would constitute a conspiracy and it would violate state laws, especially if the purpose is to further a scheme that would bilk people out of money. So we have to find out who was in a position to obtain these documents, who had enough knowledge about the internal working and operation of these churches to put them together, who knew the identity of these individuals, and these types of things have not been reported on or pursued apparently by the federal investigating agencies. Maybe they have but we don't have that at our disposal and it hasn't been revealed. I think one of the crucial questions is why the federal agents have not talked to the Director of the Accounting Department of Franklin Credit. Somebody had to put together that second secret computer file that dealt with the unrecorded CDs of which the bulk of the thirty something million dollars missing was composed. It is my feeling that E. Thomas Harvey, the accountant, has been given immunity by the federal authorities and, because of this, the National Credit Union Administration, which has filed suit against Larry King and has drawn in his wife, the receiver who is to make sure that Larry King and his wife do not improperly dispose of any assets, both agencies have left Thomas Harvey scot-free if he put together the computer files. And we don't know for sure but we have to determine who at Franklin was able. If money may have been diverted to him or by him, why is there no interest in making sure that any of that money or anything obtained with it is not dissipated? This is another reason why the Legislature has an obligation. The public wants us to do what "deep throat" said should be done in Watergate. They want us to follow that money. The NCUA is very quick in having paid off over \$30 million already and the bulk of the CDs being paid off were held by people outside of this state, entities outside of this state and maybe some of the money was diverted to areas and activities outside of this country. If our state is going to be made the base for actions that, obviously, are illegal, and we don't know how far and wide flung these activities may be or reach, then we, as the policy-making body of this state, have an obligation to look after not only the interests of the citizens but the reputation of the state. We don't want this state to become, for those who deal in illegal activity, what Delaware has become for corporations as far as their incorporating. Now we have three entities that I would like us to examine for sure, the Board of Directors of Franklin, the Advisory Board which was composed of very prominent businessmen, politicians and lawyers, and the activities of the NCUA. Now the Board of Directors, after all of this broke, said, well, we didn't do any directing.

The Advisory Board, whose primary spokesman has been Harold Anderson of the World-Herald, whose paper will not touch the immunity question, although I talked very strongly to two reporters, I raised the fact that the World-Herald will not touch this issue, will not approach Thomas Harvey, and one of the reporters told me he had it that the paper was concerned about libel. How is it going to be libelous to raise the question as to whether one of the chief players has been granted immunity? Either he has or he hasn't. The World-Herald refuses to touch it. So Harold Anderson has said about the Advisory Board, well, we were there, our names were lent, we tried to raise money, we told people the credit union is good, it's doing great work, but we didn't advise.

PRESIDENT: One minute.

SENATOR CHAMBERS: Then we come to the NCUA. Their job was to regulate, monitor and whatever other term you want to use to indicate that they had obligations to make sure that this scheme did not proceed. They now say, well, they didn't regulate. So we have a Board of Directors that did not direct, an Advisory Board that did not advise, a regulatory agency that did not regulate, and when we come to the Director, Larry King, he didn't...he can't read a financial statement. He doesn't know what his salary was. He only spent a few hours there. So nobody knew anything about the credit union. Nobody operated it. Nobody regulated it, yet \$38 million, at least, is missing. Draw in your mind the picture of the three famous monkeys; see no evil, for the Board of Directors; hear no evil, for the NCUA; speak no evil, for the Advisory Board, and you have the picture of what we're dealing with.

PRESIDENT: Time.

SENATOR CHAMBERS: I'm going to try to speak again because there are a couple of other things that I'm trying to get into the record because our activities will be scrutinized and we want to make it clear that there was no attempt by any of us to run a con on the Legislature or the public but we tried to lay out as fully as we could in the public record what is entailed, what we're doing, why we feel it's necessary.

PRESIDENT: Thank you. Senator Nelson, please, then Senator Bernard-Stevens.

SENATOR NELSON: Mr. Speaker, members of the body, I would like to give my time to Senator Chambers.

PRESIDENT: Okay, thank you. Senator Chambers, please.

SENATOR CHAMBERS: Thank you, Senator Nelson. If you look at what happened here, you will understand that it is the second largest collapse of a financial institution in this state. There are a lot of citizens who don't know the difference between a credit union or a savings and loan. So when they know that this one is federally insured, State Securities and Commonwealth were supposedly state insured, or that was the impression people got, they begin to develop a lack of trust in all financial institutions in this state, whether it's savings and loan, credit union, whether it's a commercial bank federally or state chartered. The Legislature, if it can, has an obligation to draw lines of demarcation between these various institutions and try to let the public know what has happened in each case and why, and if that will not happen with reference to these other institutions, make that clear. The public will need to have someplace where they can place their money in confidence. Right now, I found out, that there are a lot of credit unions that have had no problems whatsoever that are having people ask them questions that indicate a lack of confidence and trust, because if they are regulated by the same federal agency, the NCUA that regulated Franklin, how can they be sure that the same kind of activity is not happening with these other credit unions? If \$38 million can evaporate and these other credit unions don't even profess to be that big, what is to ensure the public that the same thing is not happening? I am not a capitalist. I have no capital, to begin with. I am not a lackey for banks or other financial institutions and I will criticize and attack programs and practices of theirs when I think it's justified, but I don't want to see a general broad-based distrust of all financial institutions, even where that is not justified. So that, I think, gives us another basis as a Legislature to look into this. We should consider...and this is where it gets sticky and some people may become nervous, whether or not down through the years political strings from Washington may have been pulled by some of the powerful people with whom Larry King had associations. Now some of those groups and individuals want to say they don't know who Larry King is, they never heard of him. They thought that people were talking about the Larry King who gives interviews to people on radio and cable. But as far as a

Lawrence King in Omaha associated with a credit union who gave lavish parties, who had people ferried to these places literally on boats, in some instances, airplanes...there's a song, Trains and Boats and Planes. I don't know about the trains being used but boats, planes, limousines, the expenditures of money far beyond the means of this person to have that money legitimately. And yet the Advisory Board composed of hard-headed, practical businessmen never, never had a question raised in their minds as to where this money came from and I should think a prudent person, anytime you're dealing with a financial institution and your name is associated with it and the person who heads it suddenly begins spending thousands of dollars, tens of thousands of dollars, hundreds of thousands of dollars, and you don't raise a question in your mind as to whether or not something is happening at that institution, it seems the least you would ask is, what do the auditors say about this institution? And you have an obligation to do some checking but they are saying to us, none of this checking was done, it was not necessary.

PRESIDENT: One minute.

SENATOR CHAMBERS: We need, on this committee, to have people who are going to pursue every line of inquiry wherever it takes us. And I don't know if Senator Schmit mentioned this, it's not that important to me because I was more concerned about the people rather their affiliations of parties. Half the time you can't tell a person's political party in here anyway, based on what they do. But we have three "Repelicans", three "Demagogues" and one National Alliance Party member. We have three from Omaha, all of whose districts were affected by Franklin. We have one from Lincoln, one from Waverly and, as you know, State Securities and Commonwealth impacted on the people in this area. Then we have two from outstate Nebraska and, based on the great work they're going to do, the area will become known as "Greater Nebraska". So I think if you want to talk about balance, politically, geographically or however, it is there. We have a couple of youngsters, two or three in the middle, and two or three old codgers.

PRESIDENT: Time.

SENATOR CHAMBERS: So however way you want to look at it, it's there, and any questions you want to ask me, I'm prepared to answer them.

PRESIDENT: Thank you. Senator Bernard-Stevens, please.

SENATOR BERNARD-STEVENS: Senator Chambers, did you wish any further time? I yield my time to Senator Chambers.

PRESIDENT: Senator Chambers, you're the next speaker, so apparently you have 10 minutes.

SENATOR CHAMBERS: And I may not need that much, Mr. Chairman, because I want to wrap up the general statement I want to make, then I'll answer any questions. During the course of our study so far, we have been given information that causes me to describe the situation in this fashion. The collapse of Franklin is like the hub of a wheel. There are spokes that radiate out from the hub to the rim of a wheel. These spokes represent the other issues that have been raised and are associated with the collapse of Franklin. If that money was utilized to underwrite activities that are violations of state, and in some cases federal law, we must look into those issues. And, as Senator Schmit said, we, remember, are not a law enforcement body. We are a policy-making body and we have to look at these areas to determine whether or not state laws, where they impact, are adequate to prevent such activities. If they are adequate, were they properly enforced by those whose job it is? And, if not, what should the Legislature do to ensure that there is proper enforcement? If additional laws are necessary, our policy-making function comes into play through our enactment of those laws. Obviously, if information falls into our hands that will border on the law enforcement function, we will share this with the appropriate law enforcement officials. But remember this one thing, the federal agencies that investigate are not willing to share information with us. They don't want a quid pro quo. They want us to tell them anything we can get but they do not want to share anything with us. So what Senator Schmit and I will try to do, as Chair and Co-Chair, is negotiate with these agencies and indicate that we have a common purpose and a common goal which is to get at the truth, the whole truth, and as much of the truth, if we can't get the whole truth, as we possibly can. The activities of the federal agencies are different in scope, different in purpose and different in goal than ours. We are the policy makers. The federal NCUA, supposedly, is interested in trying to recoup as much of the missing money as possible that their insurance fund has paid off. The FBI, as a law enforcement agency, is concerned about any violations of federal law and they would

prosecute, I presume, through the justice department or the U.S. Attorney. The justice department, I guess, as a parent agency of the FBI and the U.S. Attorney, would kind of oversee what it is they're doing. But our purpose, our scope, is broader than all of these. There need not be any clashing. There might be some overlapping, obviously, but our work is necessary and it must go forth. This final thing. I hope it's the final thing, unless you ask me some questions. I had mentioned that the Attorney General was given information in July and sat on it. November 21st, I called Bob Spire and he didn't know anything about this information having been given to the office, apparently, because he told me, we just found out about this a few days ago in the newspaper. I said, no, this is information that was given to your office in a file in July. He called me a few minutes later and told me that indeed the information had been given and they were going to begin digging. That was November 21st. A few days after that, the individuals who had given that information to the Attorney General's Office, talked to the ones who were supposed to, in that office, be looking into it. The individual who was the lead attorney was unfamiliar with the names in the file, unfamiliar with the activities described in the file and they came away with the distinct impression that nothing had been done. The Attorney General, as you might expect the head of an agency to do, said that they had gotten on it immediately, had handled it in a professional manner, so what I presume is meant by that, they sat on it immediately in as professional a manner as you can sit on it, but they definitely had not done that much. The Omaha Police Division...how much time do I have, Mr. Chairman?

PRESIDENT: You have six minutes.

SENATOR CHAMBERS: Okay. The Omaha Police Division had been given some information also, in July. The officer, Chris Karmean, who was working on the case and had begun to interview at least one young person...I don't want to say enough to let the identity of specific individuals come out now who may have given information, and some of these young people and others are very afraid, some of them are very fragile, and in some instances where children are abused the perpetrator picks a child who has no family or no friends or is so psychologically delicate that that person will not be believed as a witness later. But, in any case, the police officer was very involved in this, was concerned about it and wanted to do something about it. There were psychologists, I think a psychiatrist and a case

worker, at least one of each of these, contacted the officer and wanted him to continue interviewing who he was interviewing because a rapport had been established. The officer never made another contact and the officer told the witnesses, that I'm referring to, that he had been taken off the case. And, in addition to that, they had wanted somebody from the Attorney General's Office to work with them so that that person could do what we around here, meaning the Omaha Police Department, do not want to do. He also informed them that a deputy chief or somebody high place in the police department had called and asked this unit that was investigating, is there currently an act of investigation of Larry King going on? And they denied that they were investigating. After we had our public hearing, and I mentioned some of these things and the media carried it, the first thing Police Chief Wadman said is that the police department has had no involvement, there has been no investigation. But there was so much out there, he had to come back the very next day and say, well, yeah, there...oh, and he said that he would not have been kept in the dark about anything like this anyway. When enough came out to show that he was not telling the truth, he then came back and told the media, well, yes, there was an investigation, I was not made aware of it because it wasn't that important. But an officer told me that whenever something of the kind of...something of the nature that was being investigated comes to the OPD, it doesn't go forth without crossing the Chief's desk. They don't commit person power and hours and the money entailed without it going across the Chief's desk. So what he indicated is that they pursued it and there were no leads worth following. Yet at that very time when those words were coming out of his mouth, which I will not describe as a disingenuous lying mouth, I'm not describing it that way, right as those words were coming out of his mouth, there was a flurry of investigative activity by the Attorney General's Office, by the Nebraska State Patrol, by the FBI. So this information that the Chief said is not worth following up, and these agencies that had indicated they had been investigating all along, suddenly are feverish in their investigative activity. The Attorney General's Office, which early on said that there could not be a discussion of what they had been doing because they don't discuss investigations, once they did get moving, suddenly began to talk about what they were doing. I'm telling you all this to indicate to you that some of us have been working assiduously on this matter for some time. We have tried to work through various agencies. I would have to say, with not a great amount of success. I don't want anybody

to feel that this is a committee that is going off in all directions with no concept of what it is we're trying to do, and we're trying to create a record here today that can be checked later to see whether or not we acted in accord with the things we talked about here today. I will tell you that the resolution is deliberately drafted broadly enough to allow us to go wherever these lines of inquiry lead us and pursue them wherever they lead us. We have tried to list out some of the agencies that we will talk to to put them on notice and alert them and the public too. Sometimes we will have to close our hearings to protect innocent persons whose names may be mentioned, the integrity of the investigation, but we don't want those, I hope very infrequent closings, to create the impression that we're having a star chamber proceeding where we don't want the public to know. We want our meetings open to the public to the maximum extent possible. Mr. Chairman, how much time do I have?

PRESIDENT: One minute.

SENATOR CHAMBERS: I talked to a World-Herald reporter and explained to him about our subpoena process, that we cannot take away a person's right to the Fifth Amendment. If we compel them, we place them under oath, they are entitled to a witness fee, they're entitled to have their lawyer there and all of these things that showed how we would proceed. Rather than write it that way, Bob Dorr went to a member of the Attorney General's Office, after I told him what we're going to do, got the same information and wrote the article as though the Legislature had to be instructed that we can't deprive a person of a Fifth Amendment right and the various things I mentioned to you. I told him so that the public and anybody who was nervous would be alerted to the fact that we're going to honor everybody's legal and constitutional right, but that's not the way the World-Herald wrote it. I am trying to get these things clarified for you. And if you have questions, remember, about anything I have said, anything that relates to this, I, for one, am prepared to answer to the best of my ability. Thank you.

PRESIDENT: Thank you. Senator Schmit, would you like to close, please.

SENATOR SCHMIT: Mr. President and members, I want to reiterate once again that when the original resolution was drawn several months ago we did not have any conception of the extent of involvement of certain individuals outside of the normal

responsibilities of operating a credit union. Since that time, and you have read many of those statements in the newspaper, there have been serious allegations, allegations of child abuse, in particular, which concern many of us. One of the crimes which really upset law enforcement individuals is the crime of child abuse. And I can assure you that almost without exception the law enforcement officers that I have worked with over the last 20 years during my time in the Legislature have been most vigorous in their pursuit of any indication of abuse of children. The abuses that have been described to us are so severe as to make almost any individual conscious of our extra responsibility to those individuals. Senator Chambers says we want to protect the rights of everyone who is involved here, and we will. It is also extremely important that we determine if at any time the rights of individual children, particularly foster children who might not have a family, were abused. I would also say that in every kind of an investigation that we have had in this regard there have always been telltale signs, there has been some indication, some flag, which indicates something isn't right. I'm not going to say here at this time exactly what those indications are, but I will tell you this, that there are a number of signs which cause me to be concerned that there is something inappropriate going on with the regulatory officials. The speed and the rapidity with which the claims are being processed is, I believe, commendable if all are in order and all proven valid. If they are not proven valid, then I would question why they are being processed so rapidly. It is also a question of mine, which I have requested from other individuals, there seems to be a question of about 34 million missing dollars. Those dollars, if they are missing, must certainly be traceable somewhere. Notwithstanding the fact that those dollars have not been, to my knowledge at this time, traced, the credit union insurance fund has paid off more than \$33 million of claims. One of the articles even went so far as to state that there was plenty of money in the credit union, in fact, they had paid a dividend not too long ago and so, therefore, there was no real burden upon the credit union paying these claims. That's in dark contrast, of course, to the FSLIC and the FDIC, both of whom, if they're not broke, are in very dire straits. But the implication in the news stories that just because there is plenty of money on hand, we shovel it out with a scoop shovel, does not really appeal to me. I think that the investigation will be very illuminating. I am, without a doubt, convinced that there will be improprieties that will need to be addressed by this Legislature. I would hope that we will be

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able to assist other agencies, other investigating committees, other individuals who are involved. I have pledged my cooperation to some of them with whom I have visited. I know that Senator Chambers feels the same way. I know that other members of the committee feel the same way. I hope that we are all pursuing the same goals, same objectives and that we can work together. I want to say again that this committee will act with propriety, honesty and integrity. We intend to obtain the best counsel we possibly can and we intend to protect the rights of the innocent and to pursue those who might have been less than innocent. Mr. President and members, I ask for a positive vote on the resolution.

PRESIDENT: That was the closing. The question is the adoption of the resolution. All those in favor vote aye, opposed nay. Have you all voted? Record, Mr. Clerk, please. Record, Mr. Clerk, please.

CLERK: 32 ayes, 0 nays, Mr. President, on adoption of LR 5.

PRESIDENT: The resolution is adopted. You have some new bills, Mr. Clerk.

CLERK: Mr. President, I do. New bills. Mr. President, Senator Labedz would like to have a meeting of the Reference Committee now in the Senate Lounge. Referencing Committee in the Senate Lounge, Mr. President, right now. Senate Lounge for Referencing Committee. New bills. (Read by title for the first time LBs 341-355 as found on pages 183-87 of the Legislative Journal.)

PRESIDENT: We will be at ease for a few minutes for referencing and receiving a few more bills.

EASE

PRESIDENT: (Microphone not activated) and capable of transacting business. I propose to sign and do sign LR 3. Would you like to continue, Mr. Clerk, please.

CLERK: Yes, Mr. President, thank you. New bills. (Read by title for the first time LBs 356-372 as found on pages 187-91 of the Legislative Journal.)

Mr. President, I have a new resolution offered by Senator Hall.

SPEAKER BARRETT PRESIDING

SPEAKER BARRETT: Welcome to the Sixth Day, First Session of the Ninety-First Legislature. The opening prayer this morning by Pastor Bob Grayson of the Southview Baptist Church. Pastor Grayson.

PASTOR GRAYSON: (Prayer offered.)

SPEAKER BARRETT: Thank you, Pastor Grayson. We look forward to your being with us again. Roll call.

CLERK: There is a quorum present, Mr. President.

SPEAKER BARRETT: Thank you. Corrections to the Journal.

CLERK: I have no corrections, Mr. President.

SPEAKER BARRETT: Messages, announcements or reports.

CLERK: Mr. President, I have a hearing notice from Ag Committee, that is offered by Senator Rod Johnson; from the Natural Resources Committee, that is offered by Senator Schmit.

Mr. President, an announcement, the Urban Affairs Committee will hold an Executive Session at two o'clock today in Room 1019; Urban Affairs, two o'clock in 1019.

Mr. President, I have the annual report from the State Treasurer, and, Mr. President,...

SPEAKER BARRETT: While the Legislature is in session and capable of transacting business, I propose to sign and I do sign LR 5. I am advised that today is the birthday of Kitty Kearns and the cake under the north balcony, and the cake which will subsequently be passed out to your desks, is in honor of the birthday of Kitty Kearns. Please give Kitty a hand on the occasion of her birthday today. Moving quickly to LR 4. Mr. Clerk.

ASSISTANT CLERK: Mr. President, LR 4 is introduced by Senator Bernard-Stevens. It, basically, provides that the Legislature approves the gift from the Nebraska Game and Parks Foundation to the Nebraska Game and Parks Commission, and the resolution is found on page 128 of the Journal.