

dictionary as terms of how do we determine what a deposit is, but we are in a situation where we can determine deposits. If we look at the other process, we had carry-forwards and carry-backs and as Senator DeCamp alluded to, there is no way of knowing what kind of income would be generated to the state in any given period because we have got a five year carry-forward and a ten year carry-back situation on the taxes. It would be 1995 before we would have any indication at all in terms of how we really fared taxwise on the banks for the year 1985. So with this process by looking at deposits, we know what those are. We're in a situation where once we determine those deposit levels, we have got a very low level situation. In other words, a \$10 million bank, and there are several of them out there, would be simply paying \$10,000 would be their...excuse me, \$1,000 for their contribution for the first \$10 million. Each, and if there is any confusion to this at all which I don't believe there is but to explain it, they would be in a situation where even a very large bank would only pay 10 cents on their first 10 million, 20 cents on their second 10 million, and then 30 cents thereafter. So a small bank would only be paying that initial very low rate. So it is not putting much of a burden on a very small bank which seemed to be those that are displaying the most pressure at this point, and yet everyone is in the system, the S & L's, any depository institution is in the system and it is very clear-cut. We know exactly where we stand from day one once we establish what the deposit level is and determine the date of those deposits. With that I offer this amendment. I think it provides a nice clean system that is not overburdensome to the small banks and yet does generate a significant amount of income that I think the banking institution is very willing to contribute to the state coffers.

SPEAKER NICHOL: Senator Pirsch, are the babies ready yet? All right. Senator John DeCamp back on the Conway amendment to the amendment.

SENATOR DECAMP: Mr. President, I want to strongly support Senator Conway's amendment. Senator Conway, and I respect his ability in the area, as I say, he is a professor of banking and insurance and has been for years at one of our better universities or colleges, and I think what he has done is come up with a system which in conjunction with the deposit tax mitigates and eliminates any legitimate