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am a director of, our principal correspondent is in Iowa simply because it is right across the state line.

SPEAKER MARVEL: You have one minute.

SENATOR CHAMBERS: So if interest is paid on those loans, that money would go outside the state to the Iowa bank or how does that work?

SENATOR MURPHY: The majority of it would, Senator. On occasion a bank depending on the interest rate that must be paid on the particular loan which is determined by the borrower as to his own ability to borrow, that will vary any where from a matter of the total amount of money going to the correspondent bank or a correspondent bank that develops the loan retaining a quarter or maybe a half a percent but it varies with the loan and with the loan demand of the correspondent bank at that time.

SENATOR CHAMBERS: Would the loan in that situation be determined by the policies of the bank you are with or by the policies of the Iowa bank, which is the correspondent bank?

SENATOR MURPHY: The correspondent bank has to accept of its own volition what we call an overline but it would be generated by the local bank and the correspondent support, generate it in order to serve the customer over and above the local bank's ability to do so.

SENATOR CHAMBERS: Senator Marvel, I just want to complete this question. I am not going to take a lot of time.

SPEAKER MARVEL: Your time is up but I will give you a chance. You want to ask one more question?

SENATOR CHAMBERS: This is right and I think he can answer it briefly.

SPEAKER MARVEL: All right, ask it.

SENATOR CHAMBERS: So even with the system as it is now, there is some control outside the State of Nebraska that relates to the loans that may be granted within the State of Nebraska, even without multibank holding company but under a correspondence system? There are banks outside the state whose policies will impact on the loans that people within the state (interruption).