

want multibank holding company legislation in this state. So the primary purpose of my amendment of course, is to strike at the heart of LB 376, multibank holding. Without question it is the key element in the bill as it has been in years past. It will legalize the operation in Nebraska of bank holding companies. The ultimate result of the passage, in my opinion, of this section is that the big will get bigger, the small will get smaller, or disappear. At the hearing this year held on this bill, the Nebraska bankers and the independent bankers of this state testified in opposition to these sections in the bill. They opposed 376. They indicated again that there was no great need to change the present unit banking structure in the State of Nebraska. They again reaffirmed that they didn't want it. They also suggested that the public was not clamoring, breaking down the doors of this Legislature in order that we might pass or would pass this type of legislation. They stated that LB 376 would allow excessive concentration of financial and economic resources in a few banks, in a few banking companies, principally domiciled in probably Omaha at this point but that is only the door-opener, ladies and gentlemen, Des Moines, Minneapolis, Chicago, New York, wherever. It is only the beginning. Dr. Wayne Dobson, avid Professor of Banking at the University, testified at a hearing in February, I believe, of this year, suggesting that there are two conditions which we can be reasonably certain will exist from permissive multibank holding legislation. The first is that the formation of multibank holding companies in Nebraska will result in the concentration of banking resources under the control of fewer economic units, that is a larger percentage of the banks' financial wealth will be held, controlled by fewer individuals. He also suggested that there will be a larger number of banks owned and controlled by those from outside the trade areas which are now being served by our independent banks. I would agree with both positions. Multibank holding companies by the very nature of their structure remove the ultimate decision making process from the local communities where the individual banks are located, where they are doing business. They remove the decision making processes from the communities in which they are located. Bankers on a local level know the local problems. They know the problems of their constituents and their friends and their neighbors. They understand the financial requirements of their communities. The Federal Reserve system study tells us that with multibank holdings there