

May 13, 1981

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Dinsdale, do you know anybody tougher to meet than Roy Dinsdale headon? Roy Dinsdale has gone neutral. I think I personally believe he is supporting and hoping but anyway officially now he has dropped all opposition to the proposal. Did you ever hear of something called First National Bank of Lincoln? Do you remember that that was what it was all about, supposedly First National was opposed. First National dropped all opposition and is actively supporting. Now where is the remaining opposition? Well, Clearwater, Nebraska; Harvard Bank in Harvard, Nebraska. In other words people who are for all practical purposes not involved in the type of banking structure of the general banking system and who I claim really have never studied the issue are still adamantly opposed, but if you ask them to explain any aspect of it, they can't tell you a thing about it. I have never tried to really explain in detail the bill. All I have ever claimed is one thing, that if the banking industry, the officials themselves, will study it and make their conclusions based upon all the facts that they will come out in support of this structure change for banking, and one after the other, the heads of the NBA, the heads of the task force, the suburbans, everybody that is involved changes and says, "Yes, this is a better system in this day and age for us to compete against the S & Ls, for us to keep our banking system together." So the circumstantial evidence is there and that is those who have been most deeply involved once they study it come out in support. I don't claim to be an expert on it as I have said. I do claim that what is offered here is a reasonable compromise and approach to the problem. Senator Dworak raised the question. He said, "Look, I have got some questions, and if this advances, I am going to raise those later". Hawkeye, or whatever that issue is. Fine. I think the bill should be advanced and these questions raised and see if you want to make any adjustments. Give the indication that at least this is the concept and now you need to fine tune it, whatever fine tuning you decide on. I would urge you to adopt the amendment and I would urge you to advance the bill, and one final thing I would point out. I don't have all these studies that everybody talks about on this side or that side, branching, so on and so forth. There is one documented study I am familiar with. That is the Federal Reserve System, unbiased study. It is just to give information on banks. They show that a multibank holding system does, in fact, for sure, all other things aside, do for sure two things. Number one, it does provide higher interest payments to depositors, the people that put their money in, and lower interest to the borrower. Now you can say, well, that ain't true and we have got this study and that. I am just talking about the Federal Reserve. I never did the study. I don't know.

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