

May 13, 1981

LB 376

a social studies project he is carrying on. Randy, would you stand up? Hi! Randy. Welcome to the Legislature. We will call upon Senator Cullan.

SENATOR CULLAN: Mr. President, members of the Legislature, I would like to urge you to support the DeCamp amendments and to urge you to support LB 376. Senator Barrett made some very interesting points this morning when he talked about the multibank holding company issue and how long it has been before the Nebraska Legislature. I think it has been here every year since I have been a member of the Legislature and I think he is correct when he says that many of us are growing tired of the issue. One thing that Senator Barrett failed to mention is that the multibank bills which have been presented to us in those succeeding years, and particularly this one with the amendments that are now before you, are considerably different than the early multibank holding company bills that were presented to the Nebraska Legislature. One of the first times that the multibank issue gained significant support in the Nebraska Legislature was when restrictions were proposed and adopted by this Legislature that placed some restrictions upon the growth of this industry, some protection for small banks to ensure that the concentration of economic power in the State of Nebraska would not be too great. I remind the Legislature that the first multibank holding company bill which I saw four years ago said that any one institution could acquire up to twenty percent of the deposits in the State of Nebraska. The current bill provides for nine percent. Now one of the amendments to the bill at an earlier stage provided for eight percent. When Senator DeCamp brought his first multibank proposal to the Legislature, there were no restrictions, no restrictions, on the number of banks or the rate of acquisition that multibank holding companies could use. They could acquire any number of banks in a year and they could do virtually anything they wanted to, and now we see very tight restraints upon the rate of acquisition of other facilities and upon their total deposits, and so as some of our positions on multibank holding companies have changed, so they have changed to be consistent with the change...the different proposals. So the multibank bill we have before us I think is significantly different than the earlier ones and those changes came because we listened to small bankers in different parts of the state who expressed those concerns about concentration of economic power in the hands of just a very few. So I feel considerably more comfortable with multibank holding companies now than I did in the past because the proposal we have before us and the proposals that this Legislature considers are those which will ensure that the economic power does not become too