

May 21, 1981

LB 376

That really disturbs me. That bothers me. I fear that. I see this as equalizing, sort of handicapping those larger ones by creating an atmosphere where smaller entities, smaller banks have a more equal footing. I think this is a good amendment. It is offered in sincerity. I would hope we would take this amendment. We would, I know this senator would feel a lot more comfortable about this piece of legislation.

SPEAKER MARVEL: Senator Cullan.

SENATOR CULLAN: Mr. President, members of the Legislature, I rise to oppose the Johnson and Dworak amendments. I think that these amendments basically freeze out one of the institutions that could provide some changes in the financial structure in the State of Nebraska and that is really the only purpose of these amendments. A couple of years ago I offered myself an amendment very similar to the amendment which Senator Dworak and Senator Johnson are now sponsoring. I offered an amendment that limited the rate of acquisition of banks in any one year and also limited total deposits of any one institution to 8% of total bank deposits. Since that time I have had a chance to look at the competitive position of the banking institutions as versus their position as far as the savings and loan institutions are concerned and if one of these facilities in the State of Nebraska did reach the maximum suggested by Senator Johnson and Senator Dworak, they would still be smaller than some of the savings and loan institutions in the State of Nebraska. So they really don't foster the kind of competition for deposits that we would have in the absence of these kinds of restrictions. I see no reason for them and I would hope that you would reject these amendments. One further point I would like to make, Senator Johnson indicated that under his proposal the number of the chain banks throughout the State of Nebraska would be able to consolidate and would be able to form multibank holding companies and utilize that structure. That is true either under the current bill or under the proposal that Senator Johnson and Senator Dworak bring to you. So I really fail to understand the significance of the argument which he presented to us in that regard. The institution which Senator Dworak and Senator Johnson are trying to freeze out, they refer to as an out of state institution, is one which has actually practiced business in the State of Nebraska for, as I understand it, approximately fifty years. So I see no reason to go after that one institution. I really believe that this amendment is nothing more than an attempt to kill the bill. If you want to kill the bill, go ahead and vote for it but what you really ought to do is take up Senator Barrett's motion to kill the bill if that is what you want to accomplish. Let's not mess up LB 376 with this type of an amendment. If you want to kill