

February 8, 1982

LB 779

SENATOR NICHOL: Okay, why don't you give me both answers please?

SENATOR DeCAMP: The answer, number one, as I suggested, they are going to have more money available because they are going to have additional things they can borrow on, additional ways to raise money so it would change it to the degree that I guess they would have some money available hopefully. That is answer number one from my good friend, Mr. Sedlacek, who is committee counsel. Answer number two, which is what I think you are really seeking has to do with the limitations on the banks now on real estate loans. In other words, like I say the example, everybody has had it probably, you walk into the bank, and when you thought you had some financing available, they said, well, you know, banks are limited on how we can loan on real estate. That was always the classic excuse to get out of loaning me money, I remember. Anyway they have got to have an appraisal and on second mortgage, oh, we never do that, you know, so on and so forth, this is eliminating them. No question about it. It gives greater flexibility to the bank. Now the Banking Director under this proposal could probably draw some rules and regulations that would tighten it up, but let me not kid you or let you be confused, I think it would open up the area... I think it would open up the area of mortgage loans to banks much broader and let's say more in competition with S & Ls than before. That is my analysis, and if I am wrong, I will sure tell you and I will check but I think that is the straight answer.

SENATOR CLARK: The question is the adoption of the committee amendments. All those in favor vote aye, opposed vote nay.

CLERK: Senator Clark voting yes.

SENATOR CLARK: Have you all voted on the committee amendments? Record the vote.

CLERK: 27 ayes, 0 nays on the adoption of the committee amendments, Mr. President.

SENATOR CLARK: The committee amendments are adopted. Senator DeCamp, on the bill. You have explained it pretty well.

SENATOR DeCAMP: Yes, I would just move for its advancement and I would submit to you it is a pretty important bill and it is trying to face up to the fact that we are going to