

March 3, 1982

LB 626

so naive as to believe that these big banks are concerned about the welfare of the rural communities and as for the future the rural banks have adapted very well to changes in the credit needs of rural Nebraska and they have responded in the manner that has generally held interest rates well below prime. I've not heard of any reports where someone has really deserved credit, was denied the opportunity by the small banks. In fact, perhaps in many cases they've been a little too generous with their credit. Banking has been a profitable business during the last few years of high interest rates but at least the profits of the home owned banks are much more likely to stay in the local community for the local economy. There certainly cannot be much doubt that what the large banks are going to move their money into the areas of highest return which will invariably mean transfer to industrial areas and areas of big business. The only way it will stay in the local areas is through a much higher rate of interest. When local banks are no longer controlled by local people it will certainly be much more difficult for a young person without collateral but a good personal and family reputation to receive a conventional loan. Many tractors, cars and similar items today are financed through conventional bank loans because buyers are known to the bankers, buyers who otherwise would be forced to go through the much more expensive installment loan proceedings procedures or perhaps not get the credit at all. Bankers may not be any more greedy than any other class of people but I believe it goes without saying that one is not as concerned about civic duty, about humanitarian causes if one is removed from the area in question. There is only one simple reason the large banks want to move in the small bank areas and that is for greater profits, profits at the expense of rural Nebraska. The history of this nation and the issue of free enterprise illustrates very clearly that large corporate structures have seldom demonstrated serious concern for compassionate and charitable causes for our workers or communities. We must have laws restricting power of large corporations. It is difficult for me to comprehend how any senator on this floor could vote for this issue because if he has a real concern for Nebraska I would ask you to vote to indefinitely postpone the bill.

PRESIDENT: The Chair recognizes Senator Clark.

SENATOR CLARK: Mr. President and members, I think what Howard Lamb said was that they voted it down in Colorado. That was not really true. They voted down branched banking in Colorado. However, that is neither here nor there. There is not a whole lot of difference in the two. I have sixteen banks in my district and I took the trouble to call all of them. There wasn't a one of them that wanted this, not a one. How would you people in the farming industry

8137