

March 3, 1982

LB 626

PRESIDENT: The Chair recognizes Senator Dworak.

SENATOR DWORAK: Mr. President and colleagues, I was kind of interested in Senator Barrett's remarks and the thrust of his commentary that this bill has been debated extensively last year and certainly everybody and anybody should have enough information as to make a decision on the bill one way or the other by this time. So after seeing the final disposition of the bill last year, apparently that is not so. Apparently not everybody can make up their mind whether it should be signed or vetoed yet. So maybe we need some additional discussion on it. Senator Lamb indicated that the voters of Colorado overwhelmingly turned down a similar concept. Now Senator Lamb is going to have to get his facts just a little bit straighter if he is going to run for statewide office because, in fact, what the Colorado voters indicated is that they wanted to preserve their existing multibank holding company structure. What they voted down was branch banking. So I think that record needs to be corrected. You know, if you watch the trend nationally, this is what is happening and if the State of Nebraska doesn't react to that trend, we are going to cripple ourselves in the nationwide competitive market, not only are we going to cripple ourselves but we are going to cripple other midwestern states, and that just absolutely shouldn't be done. You know, the thing that always intrigues me about this issue is that you would think this bill or this law mandates every small bank to join a multi-bank holding company. Now that is absolutely not so. If these small banks can offer these better services, can offer these lower interest rates, can compete more effectively, then they are going to survive and flourish. They are not going to be legislated out of existence. We are just giving another option and the beneficiary of this option, the ultimate beneficiary is going to be the consumer. Now we are going to allow two different systems to work, and whatever system works most effectively, most economically, whichever systems works to the benefit of the consumer, that is the system that is going to survive. Let the marketplace decide. Let the consumer decide. There is no coercion here. There is absolutely no one forcing anyone to do anything, whether it is a bank in western Nebraska, Senator Clark, those bankers aren't mandated to sell out. Absolutely not. They are not mandated to sell out. It's their choice. If they want to do it, fine. If they can compete better, fine. But let's let the marketplace, let's let the free enterprise system function. Now the bill in its present form, it is my understanding that