

SENATOR LANDIS: Mr. Speaker, members of the Legislature, I understand that Senator Schmit is passing around on your desk the amendment and you will see that it is relatively short. There is two ideas in this amendment, and it is the second idea that I am most in accord with. If you will take a look at number two, it says, or which acquires any assets and liabilities from the Resolution Trust Corporation or the Federal FDIC, and what that language, and you will see, by the way, in number three, it says...it shows stricken, inserts January 1, 1999 (sic). Take those two together and it says this. It says you have got a 12 percent tap on what your holding companies can own, or in addition, the deposits, assets, liabilities, if you will, which you get when you buy a failed or failing S & L through the Resolution Trust Corporation or the FDIC. Now we did this several years ago when there were some failing banks in this state. We permitted the deposit cap that we have for bank holding companies, big conglomerates of banking power, we gave them a temporary window and said, listen, if you go out and buy a failing bank, that is okay. That doesn't count against your deposit cap, and we did that because we had some rural banks out there that were failing and this was the way to get them taken over, restructured, and opened up again to help people out. We gave a temporary window. That window was exercised. Those deposits don't count against the cap. We have got a similar situation right now. We have got some S & Ls that are failing out there, and in fact, we have got among the largest of our holding companies at least one holding company which is in danger if it were to buy these failed S & Ls of bumping up against this deposit cap. And for that reason, I think number two makes good sense. It is number one, however, that I have got some questions about and I don't understand it because if number two is, in fact, a blanket exemption for bank holding companies to go out and purchase failed or failing S & Ls and it gets them out of the cap altogether, what is number one all about? Number one is a three year staged-in increase in deposits without regard to number two. In other words, you could double the size of the holding company in number two because that is a total exemption, but in number one, you have also got this increase in deposits. Now I am not sure how many of us were here when we went through the bank holding company wars. It was a long protracted fight. And, frankly, what we finally got done doing is this. We said we are not crazy about holding companies but we will let them exist. It has been a fight between the rural interests and the urban interests but we will let them exist, but we will cap them to make sure that they