

The borders of states are now thrown aside as this legislation indicates, that you are able to, on a failing S & L, come from out of state, enter into a state, not have any restrictions that we once had in out-of-state banks and what have you coming into our states, and those barriers, those protections are gone, and now we have to think, be very concerned as a state, about what happens as a result of that. What happens when potentially out-of-state interests come in? Yes, we would prefer in-state interests, but what about the possibility of an out-of-state interest coming in here outbidding our in-state people? What kind of situation do we face and, furthermore, if our in-state institutions are successful in bidding for these failing S & Ls, if they do expand in power and have greater asset and deposit bases, there is also the potential, because of legislation we passed a few years ago, to allow for first regionally this year out-of-state holding companies purchasing in-state banks, but also nationally...

PRESIDENT: One minute.

SENATOR WESELY: ...we are now going to allow next year the possibility for out-of-state institutions anywhere in the country to come in and purchase our in-state banking institutions, and so that concerns me. I think these broader issues as we go forward with this particular issue need to be kept in mind. There is in state versus out of state, and all the ramifications involved there. There is the commitment to community, commitment to the state, and concerns that even if our in-state banks are able to purchase these facilities, what is to say that down the road another out-of-state interest then purchases that in-state bank holding company. FirstTier is a stock hold company. There are other companies; obviously, NBC, that have been talked about as out-of-state interest might purchase, what happens when those institutions potentially down the road get bought by out-of-state firms? And I think those sort of questions need to be asked as well. At this time, I do support the Schmit amendment. I certainly think it is a step in the right direction and I will support at least some action on this legislation and support the bill's advancement today, but I do think broader issues need to be brought into it and understood as we move forward in very turbulent waters that are now boiling around us as we see the S & Ls,...

PRESIDENT: Time.