

SENATOR SCHMIT: ...forget their obligation to the State of Nebraska and to those outlying areas of the state which are sometimes forgotten. You know, it's a matter of concern to me that since we started on this road many, many years ago there have been substantial changes in the banking industry in this state, and some of them have been good, and some of them, very frankly, have left areas of the state with less service than they had before. The overall substance, I believe, of the legislation has been good. I do not regret it. But I want to just say that as one individual who is somewhat, I believe, responsible for some major changes in banking legislation, that I think this is a very, very small crumb for the citizens of this state, and probably not needed, I would hope not needed. I'm sure there will be those who will oppose the amendment.

SPEAKER BARRETT: Time.

SENATOR SCHMIT: Senators, if you need it, then we...if you really need it, then we really need it, because there is an indication then that perhaps out-of-state institutions would not want to reinvest in local communities. Thank you very much.

SPEAKER BARRETT: Senator Conway.

SENATOR CONWAY: Thank you, Mr. Speaker and members. I rise in opposition to this particular amendment, more on technical reasons and potential complications than on the concept and the merit and the intent of the introducers. If you would follow through for a moment and look at some of the history of the investment activity, the whole concept of the Community Reinvestment Act, the CRA as people keep referring to, is really originally established as a federal activity in terms of federal regulators. We, in the books, currently have a CRA requirement of which, even last year, I felt was strong enough that the institutions had a standardized performance that they had to adhere to, but now, since the passage of the FIRREA act of '89, or the savings and loan bail out, if you will, these have not been strengthened to a great extent. The question of the jeopardizing the reciprocity was expressed, I believe, by our own Banking Director, and that may create some problems by having our own set of CRA standards, when in fact the institutions are scrambling right now in order to try to get on top of the new CRA standards that are being put out. Under the new standards the directives have gone out to all the federal