

appreciate the chance to come back to an issue that we talked about a little bit not too long ago, dealing with community reinvestment. As you recall on this bill, we had a previous draft of this concept that had not yet had a chance to be reviewed by the Bankers Association and we got in somewhat of an unfortunate fight that we didn't really probably need to. But we have sat down with the different interested parties and come out with a version of this issue that is not necessarily, of course, endorsed or supported by the Bankers Association but is one in which they have gone from opposed to neutral and I appreciate very much their desire to work with and cooperate on this matter. I go back again to the fundamental question and that is the issue of interstate banking and the opportunity for out-of-state financial institutions to move into Nebraska and what impact that will have on our state. The big concern is that when we have this change occur, which will be happening in the very near future, and we're now on a regional basis open to interstate and we will move to a national interstate opportunity next year, what impact will that have on communities in Nebraska. Currently, when an out-of-state bank would come in to acquire an institution in Nebraska, CRA review would be...is now currently in statute for the banking director to look at before approving that acquisition. After that institution comes into the state, however, there is no follow-up to ensure that community needs are being met by this out-of-state institution and that has been my concern now since we passed the interstate bill a couple of years ago. The Banking Committee did put out, I believe it was LB 746, out of committee to deal with this matter and it's stuck on General File. And so with this particular measure before us dealing with multibank companies' ability to grow and the cap that's been placed on multibank holding companies increased from 12 to 14 percent, it was felt to be appropriate to raise this issue now with this piece of legislation. So what we have done is, as I said, we proposed the amendment last time and there was some hard feelings about it and fortunately not hard enough to not sit down and discuss and negotiate. And what we have done is, I think, come up with a proposal that makes sense. What it says is that if an out-of-state bank does come into Nebraska, buy a bank or a series of banks in Nebraska, they will submit their public portion of their Community Reinvestment Act report to the Investment Council and there the investment officer will take that report, and if this out-of-state bank holding company is given a substantial noncompliance rating, see, they are rated under this CRA review, and if they get the substantial