

services are being rendered at the present time, and by some of these same institutions. But, again, I think efforts are being made to provide service. Why should we continually restrict the competition for these institutions when it is the people who have to pay the price? I did a little survey of interest rates for agriculture and for business across the State of Nebraska. I did two surveys. I did one on the amount of interest paid on a CD of \$10,000 and \$100,000. And then I asked for the interest rate charged for farm loans and for business loans in roughly those same capacities. Ladies and gentlemen, the interest rate that was being paid on deposits varied from 7 percent to 9, 9 and a half, from time to time. The interest charged, the interest charged on those kind of loans ranged from 9 percent to 18 percent, 9 percent to 18 percent. Who in the world is going to pay 18 percent on a loan, a business loan, if they have any other alternative? But, if there is a fence, an artificial barrier built around a community, and that individual is fenced in and is locked in, ladies and gentlemen, they have no choice. Now someone says all you have to do is go down the road to another bank. We know better than that. The most suspicious person in the city is an individual who comes from another community to request a loan from an out of town bank. And, ladies and gentlemen, you can imagine the response that the banker from the out of town bank gets when he calls the hometown banker and says, what about John Doe, what kind of a credit risk is he? The first question is, what's he doing over there? The second statement is, well, I wouldn't loan him any money. Ladies and gentlemen, there have been...

PRESIDENT: One minute.

SENATOR SCHMIT: ...some substantial improvements in banking in Nebraska in the last 20 years. There have been some substantial improvements in the business activity, but you do not have that, you do not have that unless you have adequate banking opportunities. I want to say one more thing, I am one of the few persons probably on this floor who has cautioned about the possibility, in fact I believe the probability of a recession within a few years in this state and in this nation. Ladies and gentlemen, if and when that should take place, you can be certain that you are going to need strong banking facilities in this state. I said for many years we do not need more banks, we need stronger banks. I think that I was proven right. I think again that what we are proposing to do here today will provide stronger banking facilities and a stronger line of credit for