

are the arguments on both sides of this issue because they embrace two different philosophies. LB 457 was statewide branching which means a bank can branch, take one of its legal branches and put it anyplace in the state they want to. It is based on the notion that competition is going to be good, that if a small bank wants to start a charter, I'm sorry, want's to start a branch in Omaha, so be it. If a large bank wants to send a branch out to a first class city, so be it. There will be the opportunity for competition and out of that competition should come lower rates, better services and the like. That is in contrast with the theory behind a good deal of our banking legislation on the other hand which has as its theory the notion that banks have to be chartered for particular areas, particular service areas, that banks are protected in how many charters there shall be because they perform the function of amassing capital and you can't have a zillion banks amassing little bits of capital and do any good. There is only a limited number of banks that can do any good because you've got to amass capital to have a significant holding and let the bank do its job. So what we say is, you may start a new bank if you can show a need for it. One of the things a bank charter has to have is a showing of need to the director in which case, if that showing can be made, a charter will be granted. We also give that charter an area of locational responsibility in which we conclude that they will be there to service the customers in that area. The theory here being that the banking relationship is not quite the same as Kwik Shops where you can drive into one or another one and get exactly the same services, but that banking as a service has a long-term investment, personal relationships are important, a sense of corporate responsibility for a particular area to invest in that area, to feel responsible for that area is necessary. Now that is the general tenor of our banking law. The general tenor is banks have a corporate responsibility to the needs of the community and should service those needs. In some senses they have higher obligations to meet those needs with certain laws, and in some senses they get special treatment because they are servicing those needs, so that there is a two-edged sword to banking legislation. It depends, I suppose, on which of those two theories you personally believe...

PRESIDENT: One minute.

SENATOR LANDIS: ...and I'm going to listen to the debate here and reflect on this myself, but I will tell you this. This is a