

January 24, 1991    LB 77  
                          LR 12

Senators Baack and Hillman. It is on Journal page 317. All those in favor please vote aye, all those opposed please vote nay. Please record, Mr. Clerk.

CLERK: 32 ayes, 0 nays, Madam President, on adoption of LR 12.

PRESIDENT MOUL: LR 12 is adopted. We'll proceed with agenda Item 6, General File.

CLERK: Madam President, first bill to be discussed by the 92nd Legislature on General File is LB 77. (Read title.) The bill was introduced on January 10 of this year, referred to the Banking, Commerce and Insurance Committee for public hearing. The bill was advanced to General File. At this time I have no amendments pending to the bill, Madam President.

PRESIDENT MOUL: Thank you, Mr. Clerk, and I recognize Senator Conway.

SENATOR CONWAY: Thank you, Madam President. Members, LB 77 which is before you today is the first bill out. I didn't want to tax anyone to any great extent on the first bill so it is pretty much as the committee statement describes it. It simply would allow that state chartered commercial banks and credit unions become members of the Federal Home Loan Bank System. Prior to 1989 legislation, federal legislation was passed at that time, only savings and loan institutions were involved or those dealing specifically with residential housing as they were originally defined, but as time has changed we've seen institutions taking on different roles. We now find credit unions and state chartered institutions, in many cases, making residential loans and needing this particular means to do that. And so the Federal Home Loan Bank System is very willing to include both the commercial banks and the credit unions in that particular system. It might be worthy to note that in the Federal Home Loan Bank System that a district that we are in, all of the other states have this provision and so it is simply a statutory adjustment to allow those institutions that want to make residential loans, whether they are identified as commercial banks or credit unions, they have the opportunity to participate in that system as well. So I offer that to the body. If there is any questions I would be glad to try to address them.

PRESIDENT MOUL: Thank you, Senator Conway, and I now recognize