

was included in the committee amendments. It allows the bank to merge with another bank and retain the rights to six branch locations, if they have not been established at the time of the merger. We just as well be very specific about this bill so that all of you are aware that the bill, as is drafted today, and as amended, impacts basically upon the Norwest Bank system and the institutions here in the City of Lincoln. The bill would allow the institutions in the City of Lincoln to merge with the Norwest system, and still provide that the bank, which is today independently chartered, could have six branches within the city. It would also then allow the customers of Norwest, throughout the State of Nebraska, many of whom are students who come to this city to attend the university and who live in Lincoln, or pardon me, who live in Grand Island, or Hastings, or North Platte, or some other area, and who might do business, for example, with a bank in Norfolk, where there is a Norwest Bank. It would allow them to do business here in the state and in the City of Lincoln without having to go through the mail system. It is a matter of convenience for customers. It also states very specifically that all six of the branches that are allowed would have to be within the corporate limits. This would not affect the franchise value of a bank, and it would allow an acquired bank to retain its branching capability value. I want to emphasize that in the last 20 years that I have carried bills that have impacted upon the structure of banking that at one time or another most of those bills were debated vigorously as a threat to the franchise value of other banks. I do not believe that is true today. Today, because of the widespread changes in the banking structure, there are many different ways by which the competing banks can obtain a facility within a locality. If you read the Wall Street Journal this morning, you noted that President Bush is supporting a nationwide branching, and that is probably going to come about sooner rather than later, and for a very simple reason, because the banking structure today needs the strength that can come from allowing this kind of banking. I recall, 20 years ago when I first stood on this floor and argued for improved and changes in the structure of banking, there were serious concerns that this would undermine the independent banking system of the State of Nebraska. That happened to be the farthest from the truth. The facts were that when we got into the really serious problems of the eighties, it was the changes we had made in the banking structure and the ability of banks to merge, to branch, and to otherwise exercise good business principles that allowed Nebraska banks to withstand that serious problem which engulfed much of the rest