

11 percent because it is important. And I have suggested and I sincerely mean it despite the fact that the Banking Director and other supporters of the legislation absolutely disagree with me, my inclination would be and is to kill the bill if you choose to make it 10 percent. And the reason for that is simple because you will have given statewide branch banking but you will not have dealt with the problem of failing banks, some of which, many of which, most of which could be taken over by some stronger institutions. You would have created a sham and if I am going to get branch banking, it is not going to be in a sham form. Now why is the 10 percent versus the 11 percent a critical factor? Because the 11 percent versus 10 percent affects, for all practical purposes, lay it on the table, one institution, that is FirstTier. They are now at 8.6 percent with a gross limit of 9 percent. Moving it to 10 percent, as Senator Hefner suggests, would add an additional what, \$178 million. However, the larger institutions because of their safety and security have been growing in deposits at a significantly faster rate than some other institutions. Therefore, it is reasonable to assume at a minimum that their expansion room would be taken up by just natural growth alone or if anything was going to be purchased, by purchase of what is commonly known as "cherry picking".

PRESIDENT: One minute.

SENATOR DECAMP: In other words, an institution picks only those that are absolutely platinum. The additional flexibility is needed because 55 percent approximately of all the bank loans, and I wish I had more than a minute, and I would ask unanimous consent to give me an additional two or three minutes to explain this.

PRESIDENT: Is there objection? If not, so ordered.

SENATOR DECAMP: About 55 percent of all the bank loans are held by the FirstTier institutions, First National of Lincoln and Omaha National. What am I talking about there? Imagine instead of a bank loan we are talking about a farm loan, we are talking about a farm mortgage. The owners of that bank took the stock of that bank and they went to First National of Lincoln or they went to Omaha National, which are now merged, and they said, we want to borrow enough money to pay for this bank so we can own a bank, an independent bank here in Neligh, Nebraska. And Omaha National or First National