

not having pledging in the past, it was covered in the past additionally. As a result of not having pledging we were probably earning approximately \$2 million per year more than we would have been able to had there been pledging. So if you want to take '77 to '85, or '86, whenever this gets into effect, you are talking about an extra 5, 6, 7, 8, probably an extra \$10 million plus that this state earned as a result of not having that pledging. So, all in all, it has been a pretty decent thing. Now, with the changing times, the changing FDIC, we are merely making some corrections and adjusting to a changed world and a changed situation in banking conditions.

SPEAKER NICHOL: Senator Beutler.

SENATOR BEUTLER: Senator DeCamp, if we make so much money the other way, why are we doing this?

SPEAKER NICHOL: That was a question for you, Senator DeCamp.

SENATOR BEUTLER: Senator DeCamp, a question if I may.

SENATOR DECAMP: Yes, sir.

SENATOR BEUTLER: If we make so much more money the other way, why are we doing this?

SENATOR DECAMP: Because I thought I made that clear. The FDIC did cover us in the past, despite the fact that it was above 100,000, they covered it. You can check back and find that. They paid off, covered, until incidents starting developing such as Continental of Illinois and other things. It is only in the last month or so that they have actually adopted a policy that says they will not cover above the 100,000, therefore, we need to be ready to adapt to that. I repeat, in the case of the two banks that are in controversy now, the initial reason, the official reason for not covering is that it is not the regular bank folding situation. Potential fraud or other things are involved, therefore, until they make a final decision of what they are going to do in those cases, they want us to go after the bonds first. So, with the new situation, the new conditions, deregulation, all of these things you know about, we want to make sure that the \$100 million, if it is going to be in Nebraska banks, is adequately protected and