

May 4, 1973

everything else and put these people through the State courts of this State which takes as long as two years in order to attempt to preclude what ought to have been granted in the first place. What objection there is to anyone getting a bank charter, one charter in any size city, if he complies with every other requirement of the State Banking laws?

SENATOR WHITNEY: Well, I interpret that just a little differently, that amendment. I interpret it that you would tie the hands of the State Banking Department and not be able, they would not be able to hold down the number of banks in the incorporated villages.

SENATOR CARPENTER: Well, do you think that every village, for example, or every second class city, shouldn't have at least one bank if they so desire?

SENATOR WHITNEY: Well, I can see where there might be some real small areas that, where it might not be necessary.

SENATOR CARPENTER: Well, who's going to make the determination whether it's necessary or not?

SENATOR WHITNEY: Well, in the past, I thought it had been the Banking Department and then, of course, if the Banking Department turned them down, I presume they could go to the other courts.

SENATOR CARPENTER: Well, they could--any, courts--go to courts, of course, but that's an impractical way to--why should they be forced to go to court? All I'm saying is that in the past, they've used the words convenience and necessity as an elastic reason to do anything they want to do in order to hold down competition and to hold back service to the people in which they have the responsibility to serve. They have to meet every other requirement except that, capitalization, anything else, except the Banking Department and those who appear before it cannot use that as a reason, convenience and necessity not to grant a bank li--charter.

SENATOR WHITNEY: So then that, would then be tying the hands of the State Banking Department to some extent, isn't that correct?

SENATOR CARPENTER: I think that's true if you want to use them as a means to an end to preclude the issuance in any case, yes.

SENATOR WHITNEY: Thank you.

PRESIDENT: Senator Murphy, we have before us the Carpenter motion.

SENATOR MURPHY: Question of Senator Carpenter.

SENATOR CARPENTER: Yes.

PRESIDENT: Go ahead.

SENATOR MURPHY: Is it not true that the Banking Department has acted in good faith to this point in this sort of thing, Senator?

SENATOR CARPENTER: I think it's highly questionable.

SENATOR MURPHY: Well, I disagree with that--