

banks will maintain and continue to be the bank charters for the City of Lincoln and no one else will be able to enter the banking business? Now I think that that encouragement of concentration is not healthy and that with the other powers that the Department of Banking has that they will be able to prevent what you are talking about, the excessive fragmentation of banking but I do not think that these new teller facilities, and I don't think it is the intent, and maybe the Chairman of the Banking Committee wants to comment, I don't think it is the intent that these new teller facilities keep other people from entering the banking industry. I think, and the reason I bring this amendment in is to prevent a concentration or maintenance of current charters. Basically without this amendment this bill could be used to keep anyone else from ever getting a new bank charter because the banks would be able to expand into new teller facilities and then argue that that meets the public convenience and there is no need for no new banks. Senator Dworak, you may want a concentration of capital. You may want only one bank or two banks to dominate Columbus but I think that is a bad philosophy. I think the State of Nebraska in banking as in other areas has always felt that there should not be single institutions dominating any area and there should be a certain amount of diversity and competition. That is the intent of the amendment.

SENATOR DWORAK: Senator Fowler, one of the problems we have in Columbus, and Columbus is not a small city, is that due to diminishing deposits and not strong deposits our customers cannot get the loans because those institutions are not large enough. Consequently, we have got to overline into Lincoln and Omaha which concentrates the power in just a couple of cities and a couple of larger statewide banks. I don't think this is necessarily desirable either. I think essentially what you are doing is just the opposite of what you intend to do. If these banks do not have the ability to make loans due to restricted deposits and restricted capital, consequently we force these people out of the community into areas where the concentration is. So essentially the intent of your amendment is good but does just the opposite of what you intended it to do. It diminishes, it forces money into one location rather than fostering competition across the state.

SPEAKER MARVEL: Senator DeCamp.

SENATOR DeCAMP: Mr. President and members of the Legislature, I am supporting Senator Fowler's amendment and