

March 3, 1982

LB 626

PRESIDENT: Alright, we are ready for General File, priority bills, special order by the Speaker. Commence with LB 626, Mr. Clerk.

CLERK: Mr. President, LB 626 was a bill introduced by Senator John DeCamp. (Read.) The bill was read on January 6 of this year. At that time it was referred to the Banking Committee for public hearing. The bill was advanced to General File, Mr. President. I have no amendments to the bill.

PRESIDENT: So the Chair recognizes Senator DeCamp for purposes of explaining the bill. Senator DeCamp.

SENATOR DeCAMP: Mr. President, members of the Legislature, this is a bill dealing with bank structure change, commonly known as the multibank bill. I believe there are other motions on the bill. We've heard a lot of debate on it. I would request that my time for opening, normally ten minutes, I would just save for the closing and handle it that way in the interest of saving time and maybe answering every question at one time. So I will waive further opening and reserve my time until closing.

PRESIDENT: Any further discussion then on the bill? Motion on the desk, Mr. Clerk. Read the motion.

CLERK: Mr. President, Senators Lamb and Barrett move to indefinitely postpone LB 626.

PRESIDENT: The Chair recognizes Senator Lamb.

SENATOR LAMB: Mr. President, members of the Legislature, I rise to urge that LB 626 be indefinitely postponed. Now why do I oppose the creation of multibank holding companies? It is because the concentration of economic power that this allows is not in the best interest of the consumers of credit. This is the important criteria, not in the best interest of consumers of credit. Now we all recognize that some legislators will support the bill because the banks in their area support it. Some legislators will oppose the bill because banks in their area oppose this but the important reason is what is best for consumers of credit of this essential service? Now what does the public think about huge concentrations of financial power? The best indication came from our Colorado neighbors. The voters of Colorado voted it down by a margin of three to one. This is an electorate that had been advised of the consequences of this action. A seemingly powerful argument in support of the bill goes something like this. Under our free market system we should not interfere. Let the big banks absorb the little banks. That is