

April 13, 1982

LB 626

SENATOR WESELY: Mr. President, members of the Legislature, I'll start for a little bit and then I will defer the rest of my time to Senator Hoagland. LB 626 is a major issue which was brought to us early in the session and was considered last year in the form of LB 376. It was passed last year in a very controversial effort that the Lieutenant Governor participated in and was in the part of a court case considered and decided by the Supreme Court last fall that held that the action taken on LB 376 was not appropriate. So it was reintroduced in the form of LB 626 and it has gone through the legislative process, has been passed by this Legislature, sent to the Governor and has had that legislation now vetoed by the Governor. The feeling is from Senator Hoagland and myself that we should consider the override of this veto from the Governor. LB 626 deals with a very important issue and that is the question of multibank holding companies. We are in a time of great change in our financial institutions in this country. We are seeing changes developing with savings and loans that are making them almost banks. We're seeing that with mutual funds that they are beginning to develop different options that are almost like banks and it seems as though the only people that aren't allowed to have the flexibility to deal with our financial problems are the banks themselves, the cornerstones of our financial institutions. So the concern that we had was that although this legislation has been very important to the State of Nebraska, very important to the financial health and well-being of our state, that we are not able to pass this legislation and put it into law when for two years in a row a majority of this Legislature has voted for this legislation. Now granted last year the Lieutenant Governor participated in making that majority but nevertheless, in both this session and last session this bill passed, though the Governor has been unwilling to sign the legislation, unwilling to let it become law and unwilling to let the banks have the flexibility that we feel is needed to meet the new financial demands that we have in our state and nation. So I think I will defer the rest of my time to Senator Hoagland.

SENATOR CLARK: Senator Hoagland.

SENATOR HOAGLAND: I concur with Senator Wesely that this is indeed one of the most important if not the most important issue that we've had the opportunity to consider this year. I am a strong proponent of LB 626 and would like very much to see the Governor's veto overridden, however, since Senator Wesely and I filed this motion why Senator DeCamp, the sponsor of 626, has asked us if we would withdraw the motion and I think out of deference to the sponsor with Senator Wesely's concurrence, we feel that that is appropriate because we

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