

SENATOR BEUTLER: Mr. Speaker, members of the Legislature, I intend to ask a lot of dumb questions today because I'm convinced that I'm not the only dumb one here and there are a lot of people that need to learn more about this issue, so I'm just going to ask them. Basically, John, if you would I would just like to ask you questions because I do recognize that you have been involved in this for years, and years, and years.

SPEAKER NICHOL: Senator DeCamp, will you respond, please.

SENATOR BEUTLER: I want to try to get a picture of just where we are going with this whole thing. Everybody says interstate banking is coming, the feds are going to push it on us, it is going to be coming. Okay, first of all what I want to know is technically how do the feds push that upon us? How likely is it that it really is coming? What does that involve? Is it a matter of changing administrative rules? Can the federal government one day say, you are going to have interstate banking in Nebraska by virtue of administrative fiat? Can you give us a sense of how likely, and when, and by what means that is coming, if, in fact, it is coming?

SENATOR DECAMP: Okay. Number one, interstate banking, which means a bank from another state, and I'll use an example, let's say Bank of America could come into the State of Nebraska and do banking here. At the present time that is forbidden. How is it forbidden? It is forbidden by state law. Why state law? Because this is one of the few areas in the federal banking laws where the federal government has left it up to the state governments as to whether they will or will not have interstate banking. So some states have passed "interstate banking laws" that are variations of what is traditionally thought of as interstate banking, in other words, limited interstate banking, such as a region, like New England. Question, is that satisfactory, is that legal? Answer, I don't know. That is the question before the United States Supreme Court right now. The question is if you are going to allow interstate banking as a state, then are you allowed, in structuring your law, to apply or impose certain limitations such as regions or contiguous states, this kind of thing? Bottom line, again my opinion, one, interstate banking is inevitable.

SENATOR BEUTLER: Okay, they can do that by simply saying