

Senator John DeCamp and I had a little confrontation with in regard to the \$800,000 that we have at risk and I want to quote to you from one of the interviews that he gave to an AP reporter. And he says, "Bankers will lose their banks. Farmers will lose their farms. Families will be uprooted, but when it is all over, there will have been hardly a ripple in the U. S. commercial banking industry. For one thing commercial banks own less than 30 percent of the total farm debt. Even if," now I want you to pay attention to this, "Even if all of the 4,146 commercial farm banks were to fail..."

PRESIDENT: Senator Harris, Senator Harris, just a minute. Let me see if I can get some order for you. (Gavel.) There is quite a bit of undercurrent of conversation this morning, members.

SENATOR HARRIS: Yes, I am making the point about the FDIC and Washington's attitude toward the State of Nebraska. "Even if all of the 4,146 commercial farm banks were to fail, not just the 300 or so that have a troubled category, but all 4,146, the drain on the Federal Deposit Insurance fund would be less than if a single giant like Citicorp went under. Of the 1.7 trillion deposited in all commercial banks, less than one-half of one percent, about 99 billion is in farm banks characterized as having 25 percent loaned up in the farm area." So we are talking about one-half of one percent as being what we represent.

PRESIDENT: One minute.

SENATOR HARRIS: I flew back from Washington 600 miles an hour for 3 hours to get back to Omaha and all I saw was farms and small towns and small operators. According to them we are going to eliminate up to 30 percent, up to 50 percent, just so it comes out efficient. That is what we are going to do. We are going to go with the free market system and I think we had better keep our options open, and if we don't keep our options open, we are going to get locked into a position as they are locked into a position and it will probably be ending up hurting us in the long run. So I support the Pappas move.

PRESIDENT: The Chair recognizes Senator Beutler. (Gavel.) Order, please.