

SENATOR HIGGINS: Well, I have always felt or thought that the only time people paid dividends was when they had a profit and...

SENATOR DECAMP: State Securities I think repudiates that theory pretty clearly.

SENATOR HIGGINS: Did they pay the dividend to everybody?

SENATOR DECAMP: Well, remember, there were only four people involved and I think you have been privately briefed on the variety of transactions and how dividends were paid so you would be familiar with that situation.

SENATOR HIGGINS: When Senator Vard Johnson was questioning some of the things about the real estate coming under the control of the bank, could a bank hire a farm management company to run those farms?

SENATOR DECAMP: I am sure that if they comported with all other laws, yes.

SENATOR HIGGINS: Finally, I don't know what you have got it, in my letter it is #5, will give us statutory authority to review and to some degree regulate financial institution holding companies. We have that authority now, at least, in part because the Federal Reserve asks us to pass on each application which involves a state chartered bank and its holding company. This language will also allow us to review holding companies of financial institutions other than commercial banks which may have been helpful in the State Securities Corporation matter. How many holding companies do we have now in Nebraska that own banks?

SENATOR DECAMP: I truly have no idea.

SENATOR HIGGINS: Would this affect Citicorp at all?

SENATOR DECAMP: Well, Citicorp has no banks in this state.

SENATOR HIGGINS: But they operate somehow here and we would have no control over that?

SENATOR DECAMP: Well, this is not dealing with Citicorp in any way, shape, or form. I guess I think that is a separate issue. They are not even a nonbank bank. They are a hybrid