

and, to my knowledge, has agreed to this amendment. The second amendment has to do with a trust company which, in its fiduciary capacity, has assets to administer. Currently, there's a prohibition for the investment of those assets in the capital stock of the trust company. Why? To make sure that there's no self-market, if you will. However, this amendment allows that in the event that, under the fiduciary capacity, this happens to be an excellent investment, that such an investment would be entitled to be made. The last amendment has to do with the issue of the exportation of fees on credit cards. We have a number of banks and S & Ls in this state who have credit cards, and those credit cards, in large number, are held by out of state cardholders. Currently, inside the State of Nebraska, fees on...late fees, balances that are not kept at adequate levels and those kinds of things can be charged. And in a recent federal court action the federal courts have ruled that it is possible for a bank, chartered in the state, like Nebraska, who has a credit cardholder in Iowa, to export the fees that they're capable of charging in Nebraska to the Iowa cardholder, if the local state, if the state of origin acknowledges the fees to be material to the interest rate charges of the card. Now, the Department of Banking in the state has had such a rule for a long time. On the other hand, in recent court cases that...that decision has had to be challenged in court, and states had to prove up that they declared these fees to be material, and it would be wiser if we had this determination in statute. So, on page 14 of this amendment, it makes these kinds of fees material, which basically will allow them to be exported to other states. Why would we do such a thing? Because we have carefully attempted to create a climate in Nebraska for the credit card business, and we have been rewarded for that fact by the creation of a large nationally known card system with one of our Omaha banks, and with a wide number of credit card servicing companies located in Nebraska. We become a haven for a nonpolluting, relatively high tech industry, lots of computers involved, and lots of telemarketing involved, too, there's no doubt about it, but it has provided a great deal of employment throughout Nebraska. To continue to make this a haven for the credit card industry, we need to allow the credit card companies that are operating in this state to be able to export the fees that they can charge here, and for that reason the third amendment is offered. I would ask for the adoption of AM1519 to LB 423.

SPEAKER BAACK: Thank you, Senator Landis. Discussion of the