

MINUTES OF THE House COMMITTEE ON Commercial & Financial InstitutionsThe meeting was called to order by Representative David Miller at
Chairperson3:30 ~~am~~/p.m. on February 17, 1983 in room 527-S of the Capitol.

All members were present except:

Representatives Dyck and Holderman, excused.

Committee staff present:

Bill Wolff, Research Department
Bruce Kinzie, Revisor of Statutes' Office
Martha Evans, Committee Secretary

Conferees appearing before the committee:

John Peterson, Kansas Association for Economic Growth
Gary Sheerer, 4th National Bank of Wichita, Kansas
Pete McGill, McGill & Associates; Ks Independent Bankers Assoc.
Sam Forrer, Grant County State Bank in Ulysses, Ks.
Kirk McConachie, Andover State Bank, Andover, Ks.HB 2001 - An act relating to bank holding companies; amending K.S.A. 17-1252
and repealing the existing section; and also repealing K.S.A. 9-504,
9-515, 9-505a, 9-505b and 9-505c.

Vice Chairman Miller conducted the meeting in the absence of Chairman Dyck who was out-of-town on government business. He welcomed the large group of proponents and opponents of HB 2001 who had assembled to give and hear closing arguments on the bill and answer questions of the committee. Rep. Miller advised the conferees that each side would be permitted twenty minutes for closing statements and he then called upon John Peterson of the proponents to inaugurate the proceedings.

A packet of letters from businessmen favoring HB 2001 was provided each committee member. (Attachment 1) John Peterson began his presentation by identifying what he said appeared to be two areas of agreement between the two sides. First of all both the opponents and proponents had agreed that the committee and the legislature should make their determination on HB 2001 not for what is in the best interest of the Kansas bankers but what is in the best interest of the citizens of Kansas; secondly, he said that both sides seemed to agree that in other states which have the multi-bank holding structure that the independent banks continue to grow and prosper. He told the committee that in passing HB 2001 they were not making a choice between unit banks and multi-bank holding banks but would simply be removing restrictions on banks that are not on any of the other financial institutions in Kansas. By so doing, he said that banks would be allowed to compete; and competition, he contended, is always beneficial to the consumer. He ended his testimony by referring to a study conducted about 10 years ago by the Kansas Banking Association and he quoted from the summary conclusion, "A change to allow multi-bank holding structure together with unit banking structure would be desirable." He said that the rationale used was that our current structure laws retard the ability of Kansas to grow economically and this rationale is more true today than it was ten years ago. Mr. Peterson rebutted some of the points made by the opponents in their testimony of the previous day, and then introduced Mr. Gary Sheerer.

Mr. Sheerer contended that the main difference between chain banking now in Kansas and the multi-bank holding structure was that the laws have restricted who the players can be. He said that in the long run control of a bank is exercised by the depositors who, if they are not happy with the service they receive, choose another bank. Noting that the best way for banks to create capital was to invest wisely, he told of the Fannie Mae and Jenny Mae purchases made by his bank for local mortgages which brought national money to Kansas without using deposit money. However, he said that a one million dollar package was the least amount available and small independent banks could not afford this. He said that his bank was 58th in the U.S. in mortgage services offered to individuals.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Commercial & Financial Institutions,
 room 527-S, Statehouse, at 3:30 ~~xxx~~ a.m./p.m. on February 17, 1983.

Mr. Sheerer, in summarizing, made four points; (1) that the issue was not unit vs multi-bank holding structures, but the option for either; (2) there is better utilization of capital in the multi-bank holding structure; (3) Savings & Loans, now with banking powers, were accelerating rapidly; and (4) individuals, not necessarily local people, who have the money can buy as many banks as they want but multi-bank holding companies cannot.

Representative Miller recognized Pete McGill, representing the opponents of HB 2001 and said he would allow 25 minutes for closing statements to the opponents since that was equal to the time used by the proponents.

Pete McGill introduced Mr. Sam Forrer, President of the Grant County State Bank in Ulysses, Kansas. Mr. Forrer refuted statements made by the Proponents of HB 2001. He began by disagreeing with Mr. Peterson's statement that both sides agreed that independent unit banks prospered in multi-bank states. Claiming he was quoted out of context, he said he was speaking from the consumer's standpoint and from that point the freedom to choose was lost when the multi-bank structure arrives. He said that it was generally agreed that the Kansas Bankers Association study quoted by John Peterson was faulty because the conclusions reached contradicted the facts contained in the study. With regard to the percentage of deposits in the multi-bank structures in Missouri, he said it would be safe to use the information furnished the Interim Committee by the Federal Reserve which showed that 2/3 of deposits were in such banks. As for the failing bank, Mr. Forrer claimed that his point was that the multi-bank holding structure encourages bad business practices by assuring the bank manager that he can take any risk he wants and not "bust the bank". In conclusion, Mr. Forrer illustrated by example, that Kansans want independently-owned banks with boards members that are on the board of only one financial institution.

Kirk McConache then spoke for the opponents. He, too, rebutted arguments of the proponents and reviewed what he said were the facts: multi-bank structures concentrate power; policies are set by parent holding companies; they take undue risks; Deposit Insurance Corporation does not have adequate assets to insure against failure of a major holding company, let alone more than one; etc. He claimed that correspondent banks were covering the needs of consumers or there would be a public outcry for HB 2001.

Pete McGill then presented his closing statement. He distributed a letter (Attachment 2) written by two lobbyists for the Kansas Association for Economic Growth in 1978 for distribution to the 1978 Kansas Legislature. He read from the letter which said that the organization was not supportive of branch banking or multi-bank holding companies and felt that the multi-bank structure was monopolistic.

Vice Chairman Miller said that since the opponents had surpassed their allotted time of 25 minutes, in fairness he would offer this same 5 minutes to the proponents.

Mr. Sheerer concluded that in the past 18 months the financial world has been changing dramatically and all of those in it are having to re-assess and sometimes make new decisions. He said that the purpose of the hearings was to bring together the facts, and this was what the proponents had tried to do, without innuenda, so that the committee would see the need to pass HB 2001.

After completion of the closing statements, the conferees answered questions of the members of the committee. Representative Ambrose Dempsey, a long-time member of the House, congratulated both sides for the excellency of their presentation, saying that it was one of the best hearings he could recall. Rep. Miller thanked all who had taken part in the hearings and agreed with Rep. Dempsey that the testimony had been top quality and had given the committee much to study.

Representative Nichols moved that the minutes of February 15, 1983 be approved. Representative Jarchow seconded the motion and the motion carried.

The meeting was adjourned at 5:05 p.m. by Vice Chairman Miller.

The next meeting of the committee will be held at 3:30 p.m. on Monday, February 21, 1983.

DATE February 17, 1983

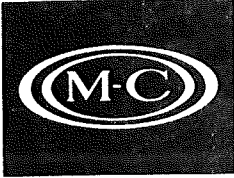
GUEST REGISTER

HOUSE

COMMERCIAL & FINANCIAL INSTITUTIONS

NAME	ORGANIZATION	ADDRESS
Lynn Anderson	First Nat'l Bank	Lawrence
Mary Burgin	K A E G	Wamego
Mark Muncey	Hyndon State Bank	Hyndon
Bruce Kewenow	Leg Intern	Lawrence
Carl R Panstrom	Banking Dept	Topeka
Tom Wilder	K S L L	"
S. Kocoran	AP	"
MIKE GIBSON	MUAMI CO. NATL BANK	PAOLA, KS.
Greg Shum	4th Nat'l Bank	Wichita
John Peterson	Ks Assn for Econ Growth	Topeka
John Koenig	-	Lewistown
ROD HAXTON	THE KINSLEY MERCURY	KINSLEY
MARSHA HAXTON	" " "	"
Patricia M'Conachie	Wamego State Bank	Wichita
Kirk F M'Conachie	ANDOVER STATE BANK	ANDOVER
Lee Anderson	Ks. Ind. Bkrs. Assn.	Carbondale
Pete M'Bill	Pete M'Bill and Ass.	Topeka
Harriet Turner	Grant County State Bk	Ulysses, Ks
James D'Herrington	Coldwater National Bank	Coldwater, Ks
John Finley	Hyndon St Bank	Hyndon
Quaque Thomas	Waverly State Bank	Haysville
Linda Sheef	Pete Emp Bill & Associates	Topeka
MARVIN UNHOLTZ	KUUL	TOPEKA

SHAW/WALKER
95R



M-C Industries, Inc.

3601 West 29th Street • P.O. Box 5502 • Topeka, Kansas 66605 • 913-273-3990

February 8, 1983

TO WHOM IT MAY CONCERN:

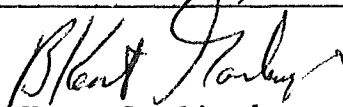
The purpose of this letter is to comment on legislation regarding multi-bank holding companies. I understand this is being studied by the Special Committee on Commercial and Financial Institutions.

M-C Industries, Inc. is a Kansas based manufacturer of hospital supplies and other vinyl plastic products.

We support legislation that would permit the formation of multi-bank holding companies in Kansas. We believe this would strengthen the ability of Kansas banks to serve manufacturing companies in this state, and thereby promote economic growth in Kansas. We understand that Kansas is one of only three states to prohibit multi-bank holding companies or branch banking, and we believe this puts Kansas banks at a disadvantage in serving manufacturing concerns such as ours.

Very truly yours,

M-C INDUSTRIES, INC.


B. Kent Garlinghouse
President

BKG/bjw



Sunflower Manufacturing Co., Inc. / Drawer 628, Beloit KS. 67420 / (913) 738-2261 / A Subsidiary of CORE Industries, Inc.

January 27, 1983

Kansas Association for Economic Growth
Merchants National Bank Tower
Suite 818
Eighth and Jackson
Topeka, KS 66612

Dear Sirs:

I am writing this letter as an interested consumer concerning the House Bill - 2001 - Multi-Bank Holding Company Legislation.

I have been a resident of the State of Kansas for the past six and a half years and it has been very interesting to me to make comparisons on legislation in Kansas with other states where I have resided. Not being overly critical, it appears to me that in many cases we the residents of this state feel that our legislation is continually playing catch with what is happening around us.

Being in manufacturing and greatly concerned about finances, I would like to express my feelings as to why this Bill needs to be passed. Those of us who have manufacturing facilities away from the large cities rely heavily on our local Bank for many things. Loans, Profit Sharing Plans, Savings, etc., and the more flexibility the Bank has the better we are served. In todays society they have to compete with Savings and Loans, Credit Unions, Merrill Lynch, E.F. Hutton, and many others besides, other Banks. We the consumer will benefit thru more open competition and hopefully this will open up many more opportunities which are not now available.

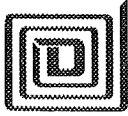
The Multi-Bank Holding Company Legislation is certainly a step in the right direction, because I have difficulty in understanding why the State of Kansas is the only one of the three states that has not passed this type of Legislation. Why are we dragging our feet when 47 other states are operating under the Multi-Bank regulation? It must be working or are they all wrong?

As the President of a subsidiary of a large corporation, I hope that this Bill is acted upon positively as all of residents of the State of Kansas will benefit.

Sincerely,

Bill Laas
President

BL/tw



DILLON COMPANIES, INC.

Box 1266 / Hutchinson, Kansas 67501 / (316) 663-6801

RAY E. DILLON, Jr.
Chairman of the Board

February 9, 1983

Kansas Legislature
Topeka, Kansas

Gentlemen:

I believe the time has arrived for the State of Kansas to allow multi-bank holding companies. There are many reasons for this but I would like to suggest two for your consideration.

Many growing businesses are finding that their needs for financing are increasing more rapidly than their local banks capacity to lend.

Today the public is demanding many more services that the small local banks are unable to furnish. This demand for new services will grow rapidly in the future.

I hope you will consider what is best not only for growing businesses but for the public and allow multi-bank holding companies for the State of Kansas.

Sincerely,

Ray E. Dillon, Jr.

cc Rep. Steven Ediger
 Sen. Bert Chaney



SUPERMARKET, INC.
1816 Central
Kansas City, Kansas 66102

February 10, 1983

TO WHOM IT MAY CONCERN:

As a businessman conducting my business in Kansas City, Kansas, I feel that there are several advantages to me in the creation of multi-bank holding companies in Kansas.

The retail business is becoming more and more involved with the efficient handling of cash and checks. Technology has made a number of strides in developing systems to assist us in this respect, however, it is my understanding that the cost of installing these systems is tremendously expensive to banks. I feel that the ability to have multi-bank holding companies would increase the possibilities that a group of these banks would be able to install this high technology equipment to better serve my needs.

Secondly, while it doesn't effect me directly, many companies engaged in my line of business have stores located in various areas of the state. I think it would be highly beneficial to them to be able to conduct their business with various banks all affiliated with the same holding company.

Finally, all of the services of a multi-bank holding company are already available in Kansas City, Missouri. It seems to me this puts an unnecessary burden on the Kansas banks in their competitive efforts.

Very truly yours,

Charles W. Ball

The Topeka Capital-Journal



A Division of Stauffer Communications, Inc.
Topeka, Kansas 66607

616 Jefferson

913/295-1118



John H. Stauffer
Editor and Publisher

Morning and Sunday

January 25, 1983

To Whom It May Concern:

I am writing this letter in regard to the multi-bank holding issue now being discussed in the Kansas Legislature. It appears to me that Kansas has virtually multi-bank holding companies now. An individual may own any number of banks. Identical stockholders may own up to 25 percent of any number of banks, and that percentage in most cases amounts to control of the bank.

Competition to Kansas banks already is in the state from national financial institutions such as the Bank of America through its BankAmerica loan branches and Manufacturers Hanover Trust through its Finance One offices.

It is difficult to see how consumers can possibly be hurt by multi-bank holding companies when Kansas is only one of three states that does not permit some form of multi-bank operations. In fact, it seems to me that banking consumers in rural areas will be better serviced through the ability of the larger banks to provide greater credit.

Sincerely,


John H. Stauffer

JHS/ia



medical

1925 WEST 6TH ST. TOPEKA, KANSAS 66606

(913) 354-8548

February 10, 1983

TO WHOM IT MAY CONCERN:

I would like to speak in favor of implementing legislation that will allow the formulation of multi-bank holding companies in Kansas.

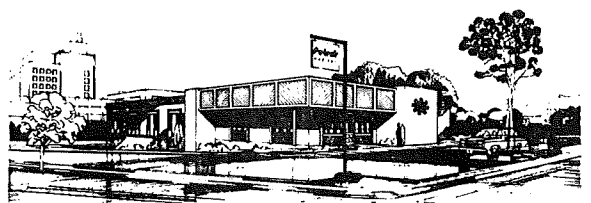
There is probably no company better able to understand the need for larger and stronger financial institutions than ourselves. We have just completed an expansion and a new building that required a large amount of financing. We were fortunate enough to have to work with one of Kansas' largest banks who was able to handle our requirements.

However, banks of this size are very limited in number and cannot serve everyone with substantial financial requirements. Multi-bank companies would be far better prepared to take care of the needs of large, new businesses that we would like to attract to Kansas. These would create new jobs and more prosperity for the State. These larger institutions can support more services and more locations which would make banking easier than it is now for many areas. It seems that this a natural progression for Kansas to consider, and I hope that the laws will be implemented so that Kansas can have a chance to grow like the other 47 states that already have this law.

Respectfully yours,

Robert K. Petro
Chairman of the Board

RKP/mg



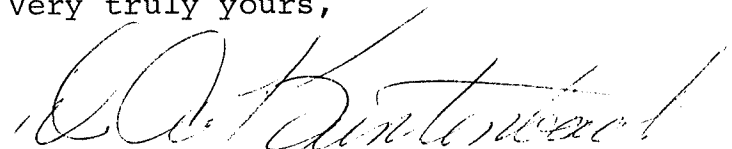
401 W. Wea
P. O. Box 269
Paola, Kansas 66071
January 24, 1983

Committee on Commercial & Financial Institutions
House of Representatives
State House
915 Jackson Street
Topeka, Kansas 66612

Gentlemen:

I urge you by this letter to repeal the prohibition of
Multi-Bank Holding Companies.

Very truly yours,



Denis A. Kürtenbach

DAK:glS

Kansas Construction Co., Inc.

GENERAL CONTRACTORS



201 PERRY ST., P. O. BOX 567, LAWRENCE, KANSAS 66044 / (913) 843-0711

January 31, 1983

To Whom It May Concern:

This letter will serve to advise you that as a member of the Board of Directors of the Lawrence National Bank and Trust Co., I am in support of House Bill 2001. I believe that such bill will provide better banking for Kansans.

Sincerely,

John W. Scanlan
President

JWS:ek

AGENDA, KANSAS
ALTON, KANSAS
AMES, KANSAS
BELOIT, KANSAS
BEVERLY, KANSAS
BURR OAK, KANSAS
CLAY CENTER, KANSAS
CONCORDIA, KANSAS
COURTLAND, KANSAS
CUBA, KANSAS
DELPHOS, KANSAS
DOWNS, KANSAS
GAYLORD, KANSAS
GLASCO, KANSAS

HADDAM, KANSAS
HUNTER, KANSAS
JAMESTOWN, KANSAS
LINCOLN, KANSAS
MINNEAPOLIS, KANSAS
MONTROSE, KANSAS
OSBORNE, KANSAS
REPUBLIC, KANSAS
SCANDIA, KANSAS
WAYNE, KANSAS
WOODSTON, KANSAS
CHESTER, NEBRASKA
SUPERIOR, NEBRASKA

Boettcher Enterprises, Inc.

HAROLD J. BOETTCHER, PRES.

118 WEST COURT STREET

BELOIT, KANSAS 67420

AGENDA, KANSAS
ALTON, KANSAS
AMES, KANSAS
BELOIT, KANSAS
CLAY CENTER, KANSAS
CONCORDIA, KANSAS
COURTLAND, KANSAS
CUBA, KANSAS
DELPHOS, KANSAS
DOWNS, KANSAS
GAYLORD, KANSAS
HADDAM, KANSAS
JAMESTOWN, KANSAS
MINNEAPOLIS, KANSAS
REPUBLIC, KANSAS
CHESTER, NEBRASKA
SUPERIOR, NEBRASKA

January 24, 1983

To Whom It May Concern:

Regarding Kansas House of Representatives Bill 2001 --

It is in the best interests of all of the people of Kansas that House Bill 2001 be passed. Considering the prospects for economic growth and the welfare of all of the citizens of the State of Kansas, it is time for the legislature to move to bring simple equity and restore fairness to the law. At a time when there are substantive moves at the federal level to de-regulate financial institutions at all levels, it seems inconsistent to continue with outdated and outmoded business practices. The average citizen is well aware of opportunities available to him in our economic system, some of which are open in the State of Kansas. Continuing historic shackles will restrict the movement and investment of funds, which history tells us will work to the disadvantage of all parties, not just those who cling to the past for their own motives. At a time when distinctions between financial institutions are rapidly disappearing on a local and national level and national institutions are rapidly expanding from state to state, the State of Kansas continues to unreasonably restrict the activities and structure of banks while condoning and supporting the expanding activities of Savings & Loans. With little fanfare, just a simple announcement, Columbia Savings of Emporia says it is buying two similar institutions in Northwest Kansas. One can hardly imagine the reaction were a similar announcement made by an Emporia Bank, or any other bank.

House Bill 2001 should be passed because:

This legislation will permit banks to meet the competitive moves of Savings & Loans, Credit Unions, Merrill Lynch, and Sears Roebuck, not just react to the moves of other banks.

The consumer will benefit through more competition when all financial institutions operate by the same rules.

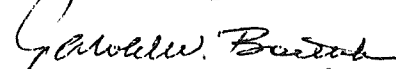
Kansas is one of three remaining states that restrict multi-bank holding companies. Can the emotional charges made by foes of House Bill 2001 be substantiated in any way by results in 47 states?

Multi-bank holding companies will allow smaller country and regional banks to join together to better meet their competition, be it local or national in scope.

The legislation will open up many opportunities not now available with the consumer being the primary beneficiary.

Allowing banks to band together will provide for more efficient raising of funds and make for better availability of capital for loans where needed.

Yours truly,



Jarold W. Boettcher
Vice President and General Manager

Webster's

SERVING THE MIDWEST'S MOBILE AND MODULAR HOUSING NEEDS FOR 30 YEARS

WEBSTER'S, INC.
MOBILE AND MODULAR HOME SALES
MOBILE ACRES SOUTH, INC.
MOBILE ACRES
MOBILE ESTATES
MOBILE AND MODULAR HOME PARKS
DIAMOND HOUSING, INC.
RESIDENTIAL & COMMERCIAL RENTALS

January 31, 1983

To Whom it May Concern:

Please allow this letter to stand as my support for House Bill 2001. As a businessman constantly working with financing for retail customers and as a member of the Board of Directors of the Lawrence National Bank I strongly feel that the bill is essential and will prove beneficial for all Kansans.

Sincerely yours



Bill Webster
Webster's Inc.

Kansas Association for Economic Growth
Merchants National Bank Tower, Suite 818
Eighth and Jackson
Topeka, Kansas 66612

Jan. 24, 1983

Dear Sir,

I am writing this with reference to commercial banks as we know them in the State of Kansas. I recently heard the address to the Nebraska Unicameral by the new Governor of that State. He was urging the passage of a bill permitting multi-bank holding companies in that State and He insisted this act was important to allow banks to meet the competition of savings & loans credit unions, and other institutions which now have a decided advantage.

As I see things, the coming of checking accounts in other financial institutions simply means that banks are now in direct competition with all these entities and since this seems to place all on an equal basis as far as service to the customers, why should one type institution, the bank, be placed at a disadvantage by out of date laws ?

There are now only three States with laws prohibiting multi-bank holding companies, and it appears we might well be the last State unless action is taken now. This legislation would permit banks in a general locality to band together, meet outside competition, and provide the type services that the economy of that region needs. I have always believed that people who serve the farming community, best understand the needs of those people whether it be financial or whatever.

Multi-bank holding companies would better serve the customers and provide each financial institution with equal opportunity to expand it's services and thus would not put a limit on the potential it can realize. I urge passage of this legislation.

Sincerely



Lindy Lindblad
Agency Manager
Farm Bureau Insurance
BELOIT, KS



r.d. andersen construction co., inc.

box 2457 / topeka, kansas 66601 / 913-267-3722

February 9, 1983

Kansas State Legislature
Capitol Building
Topeka, Kansas 66612

Gentlemen:

I would like to request your support for House
Bill - 2001 - Multi-Bank Holding Company Legislation.

Many of the small banks will not be able to service
their clients without banking their assets with
other larger banks.

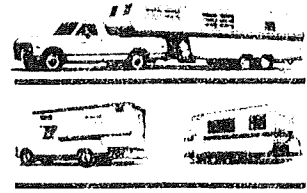
Sincerely,

R. D. ANDERSEN CONSTRUCTION CO., INC.

Ronald D. Andersen
Ronald D. Andersen

RDA:cs

nu·wa
INDUSTRIES, INC.



February 4, 1983

Dear Sir:

I wish to offer the opinion of Nu Wa Industries, Inc., concerning the forthcoming legislation to possibly allow the existence of Multi Bank Holding Companies within the state of Kansas, as is common in many other states. My concern is to the industrial borrowers such as our company located in smaller Kansas communities, such as Chanute.

Nu Wa manufactures recreational vehicles (i.e. trailers, motorhomes), and our seasonal borrowing needs often are greater than the local financial institution limit as allowed by law. It would seem that the allowance of holding companies to own more than one bank would create the ability for companies such as Nu Wa to obtain large amounts of commercial financing, without the participation of a large city bank. It would also seem that we would benefit by improvement in financial services created by a larger total financial company, which cannot be offered by present sized existing small town banks.

Our hope is that fair consideration will be given to this legislation, which our company feels might benefit small town industry.

Sincerely,

NU WA INDUSTRIES, INC.

A handwritten signature in cursive script that reads "Michael S. Mitchell".

Michael S. Mitchell
General Manager

MSM:cb



Orthopedic Associates, P.A.

Continental Medical Bldg.
631 Horne
Topeka, Kansas 66606
1-913-357-0301

Phillip L. Baker, M.D. John A. Lynch, M.D. Michael T. McCoy, M.D. Richard E. Polly, M.D.

February 9, 1983

Kansas Legislature
Legislative Office Building
Topeka, Kansas

Gentlemen:

I am writing this letter as an interested consumer concerning House Bill - 2001 - Multi-Bank Holding Company Legislation. I would like to support positive action on this legislation.

Sincerely,

Phillip L. Baker, M. D.

PLB:rw

SMITH, BURNETT & LARSON
ATTORNEYS AT LAW
111 EAST EIGHTH STREET
P. O. BOX 360
LARNED, KANSAS 67550

GLEE S. SMITH
DONALD L. BURNETT
JERRY G. LARSON

February 2, 1983

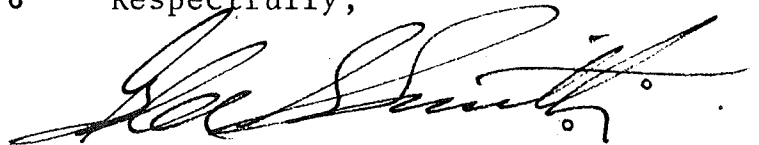
TELEPHONE
316/285-3157
316/285-3158

TO: Members of the House and Senate Committees on
Commercial and Financial Institutions and other
Members of both the House and the Senate of the
Kansas Legislature.

In connection with your consideration of House Bill
No. 2001, relative to banking laws in the State of Kansas,
I wanted you to know that as a Member of the Board of
Directors of both the Lawrence National Bank and Trust
Co. in Lawrence, and The First State Bank & Trust Co. of
Larned, I favor the passage of House Bill No. 2001.

I believe that such Bill will provide better banking
for Kansans throughout the State and will serve to enhance
the credit opportunities of our people and the economic
growth and development of our State.

Respectfully,



Glee S. Smith.

GSS:jv

Jan. 27, 1983
Beloit, Kansas
67420

Kansas Legislature:

Sirs;

This letter concerns the laws regulating our Multi-Bank Holding Companies. I am one of many concerned people who feel these companies should be allowed to function so that we may have the competitive posture needed in commercial banking now and in the future.

Here are some points I would like to bring out in favor of these holding companies being allowed to exist.

No. 1 My feeling is that we, the people in rural Kansas are going to need better and larger availability of loan funds for the farms and other agri-businesses in the future.

No. 2 By allowing Multi-Bank Holding Companies to exist through legislation, this will permit small country and regional banks to join together in meeting all their competition from whatever direction,

(2)

in the future. Banks are by no means the only institutions serving the public in the loan business and this situation will be no less competitive in the future.

No. 3 We need Multi-Bank Holding Companies Laws changed so banks will be able to meet the competition of the Savings & Loans, Credit Unions, Merrill Lynch, Sears, etc, not just other banks.

No. 4 I feel the consumer can and will benefit through more open and free competition when all financial institutions are allowed to use the same rules.

No. 5 The concept of multi-bank holding companies opens up many opportunities not ~~at~~ available at the present time under the banking laws we now have. I feel we are limited by our own shortsightedness and the lack of initiation of change at the present time.

No. 6 At the present time, Kansas

(3)

is one of three states with multi-bank holding companies being restricted under banking laws. Kansas may be the only state after this year. Can all these states be wrong?

I appreciate your time and thoughts on this matter and am hopeful of this serious problem we now have, being resolved.

Sincerely,

Vernon E. Adams

Rt. 4

Beloit, Kansas 67420

DODGE CITY, U.S.A.

3137 South Kansas • Topeka, Kansas 66611 • Phone 913-266-8858

January 18, 1983

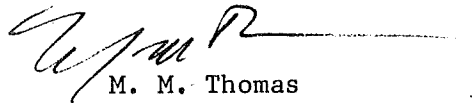
TO WHOM IT MAY CONCERN:

I favor legislation which would allow multi-bank holding companies to exist in the State of Kansas for the following reasons:

1. Provide for greater capital structure in banks, thereby providing for greater financial committment to all customers.
2. It will not lessen competition. In fact, I fully believe it will increase competition thereby providing for more types of banking and more services in the smaller communities.
3. Allow for greater penetration into the smaller communities by durable goods sellers; i.e., automotive dealers, farm machinery, etc.
4. Allow a choice by banks whether or not to become a member of a bank holding company.

The above listed reasons are but a few of the many good reasons for bank holding companies.

Sincerely,



M. M. Thomas
Senior Vice President Finance

MMT/bh

MSD MIDWAY SALES & DISTRIBUTING, INC

BOX 1002 218 BRANNER STREET TOPEKA, KANSAS 66601 913/232-4572

January 20, 1983

TO WHOM IT MAY CONCERN:

We were glad to hear that the Kansas Legislature would be considering legislation to allow multibank holding companies in Kansas. We are anxious to have Kansas join the 47 other states which allow some form of multibank holding companies.

We feel that this will increase the competition among banks and that this will be good for us as well as individual consumers. Even though we are not a very large company, there are at this time only five banks out of the dozen in Topeka that can handle our loan needs at the peak of our season without complicated special arrangements. Even at that, three of those five are marginal and we could outgrow their ability to handle our credit needs easily in the next two to three years. Multibank holding companies would increase the number of banks in Topeka that could handle our account easily and would therefore increase competition.

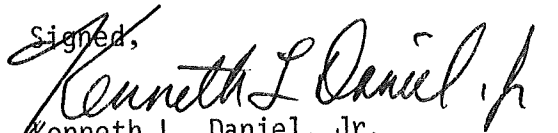
We also feel strongly that multibank holding companies would increase services available to our customers in rural Kansas areas. One of our clients in Hays was unable to obtain a simple line of short-term credit based on current accounts receivable which would have easily available here in Topeka. We were able to help the customer find a line of bank credit in another city, but we feel that he could have easily done what he needed to do had there been a bank with a greater range of services and resources available.

It doesn't seem fair to us that other types of financial institutions can furnish a full range of service at all of their locations and have multiple locations while banks alone cannot. It is not fair to have these services withheld from all Kansans when it is mainly a group of small-town banks which are in opposition. We have seen no evidence at all which would indicate that these small banks would be harmed, yet we see many advantages to multi-bank holding companies both for us and for our clients.

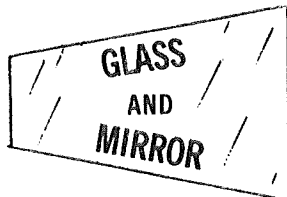
We are especially concerned that our Kansas bankers not be handcuffed in the event that the U.S. Congress should deregulate the banking industry. We're afraid that there would be an irreversible raid on Kansas banks by outsiders before our own legislature could act to give our bankers the same tools those outsiders have.

We sincerely hope that the Kansas Legislature will pass legislation this session enabling multi-bank holding companies in Kansas.

Signed,


Kenneth L. Daniel, Jr.
Chairman of the Board
Midway Sales & Distributing, Inc.

TOWNSEND



INC.

1212 KANSAS AVE./P.O. BOX 558/TOPEKA, KANSAS 66601/AREA 913/354-7731

Jan. 28, 1983

To Whom it May Concern,

The banking system in the state of Kansas has been the backbone of business and industry for over one hundred years. In that period, the needs of business has changed dramatically. In the same period, the banking industry has changed to meet the demands of business. It is now time for another change, a change in the Laws of the State of Kansas making bank holding companies legal.

Communities such as Topeka, Wichita, and Kansas City are fortunate to have an abundance of good strong banks on which local business can rely on for service and help, but the smaller communities in the state that are the hub of the agricultural industry are not as fortunate. The needs of the agricultural industry is outstripping the capacity of many of the small town Kansas banks to fullfill these needs. By making it possible for these smaller banks to merge into larger holding companies, I feel that this will strengthen the small town banks through sound and progressive bank management. With stronger banks in these communities other industries will be more interested in locating in these areas making it possible for those wishing to remain close to their community to do so as new jobs are created. Business and industry are going to seek out a source for financial services and if the smaller communities cannot furnish these services they will go elsewhere.

Legislation is needed to make bank holding companies legal. This legislation will require certain guidelines to limit the power of large banks to buy up smaller banks at will. Attention needs to be paid to the fact that competition between banks needs to exist and monopolies held by large bank holding companies should be prohibited. Bank holding companies can be found in forty seven states in this country, which leaves only 3, one of which is Kansas, to take this step towards a more progressive statewide banking industry.

If we continue to ignore this issue we can only expect to lose additional industry and resources to those states who have taken the step of which we are contemplating. It is time for us to join the majority who have found bank holding companies to work and help restore Kansas Banks to a more competitive position with banks in other states.

Very truly yours,

Jerry L. Townsend
Senior Vice President

STATE OFFICE SYSTEMS, INC.

January 18, 1983

To Whom It May Concern:

We support the need for a change in the banking structure and hope that the Kansas Legislature will strongly consider multibank holding companies and loans at their various facilities.

We felt that the Savings and Loan Companies went through a real crisis when they were not allowed to compete as others in their type of industry and are glad that the laws were changed. With this change, Savings and Loan Institutions can make a more competitive market which represents a better product or service to the end user. I am sure the change has given new life to many Savings and Loan Institutions and even kept some in business.

We do not feel that the banks in the state of Kansas should go through the same type of crisis. We feel that the laws should be the same for both as both businesses offer basically the same services. We need to stimulate our economy and not hinder those that are trying to succeed.

We hope that the Legislature will act on this issue and not continue to be one of only three states that does not allow this type of service.

Respectfully submitted,



Al Rimmel

Vice President

State Office Systems, Inc.

/dr

LINDBURG & VOGEL,
CHARTERED
CERTIFIED PUBLIC ACCOUNTANTS

720 NORTH MAIN
P.O. BOX 2047
HUTCHINSON, KANSAS 67501
316-669-0461

3320 HARRISON
P.O. BOX 5289
TOPEKA, KANSAS 66605
913-267-3912

2011 CENTRAL
P.O. BOX 1512
DODGE CITY, KANSAS 67801
316-227-3522

2705 VINE
P.O. BOX 189
HAYS, KANSAS 67601
913-628-2900

January 25, 1983

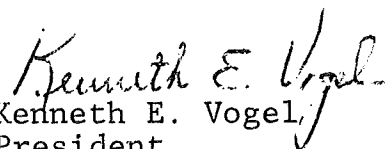
To Whom It May Concern:

It appears that multi-bank holding companies offer an opportunity for communities large and small to broaden the base of banking services and to operate with a competitive edge.

Therefore, I strongly support a change to permit multi-banking holding companies.

Very truly yours,

LINDBURG & VOGEL, CHARTERED


Kenneth E. Vogel,
President

KEV:t1e

J. E. McIntire
R. R. 4
Paola, Kansas 66071

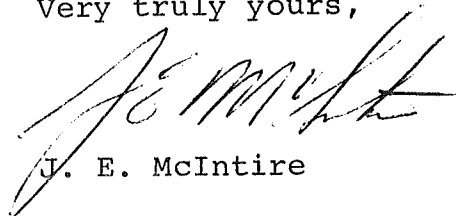
January 24, 1983

Committee on Commercial and
Financial Institutions
House of Representatives
State House
915 Jackson Street
Topeka, Kansas 66612

Gentlemen:

I urge you by this letter to repeal the prohibition of Multi-Bank Holding Companies.

Very truly yours,

A handwritten signature in cursive script, appearing to read "J. E. McIntire", written in dark ink.

J. E. McIntire

JEM:glS

SALISBURY SUPPLY CO., INC.

*Construction and Industrial
Equipment and Supplies*

1ST & QUINCY STREET • TOPEKA, KANSAS 66603 • 913-233-7411

MAIL ADDRESS:
P. O. BOX 916
TOPEKA, KANSAS 66601

January 19, 1983

To Whom It My Concern:

This letter is written to comment on the multi-bank holding company concept presently being investigated by the Special Committee on Commercial and Financial Institutions.

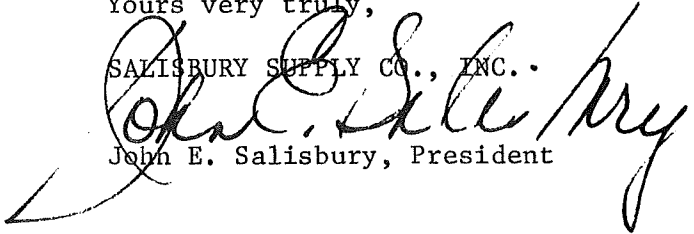
We strongly support legislation that would allow the formation and operation of a multi-bank holding company. Among the many reasons that favor this position are:

- Provides the opportunity to grow and prosper.
- Better able to compete with larger out of state banks.
- Better able to compete with non-financial institutions providing retail banking services; i.e., Sears-Roebuck, American Express, etc.
- Consumers and businesses are better served with multiple locations.
- Better able to compete with Federal Savings & Loan Associations which are allowed to branch statewide.
- Makes for stronger Kansas Banks when interstate banking becomes a reality.
- Provides an option for banks desiring or needing to sell.

Kansas is one of only three states that prohibits multi-bank holding companies and/or some degree of branch banking, yet individuals have the ability to own multiple banks. Banks have grown and prospered while serving their markets well in the other 47 states. There is no reason to believe that the experience would be any different in Kansas.

Yours very truly,

SALISBURY SUPPLY CO., INC.


John E. Salisbury, President

JES/js

BELOIT
738-2285

CAWKER CITY
781-4330

S & S Drug Company, Inc.

PRESCRIPTION PHARMACISTS

110 SOUTH MILL STREET
BELOIT, KANSAS 67420

BILL BRYANT
MAX HEIDRICK

JOE EVANS
DAN VOSSMAN

February 3, 1983

To Whom It May Concern:

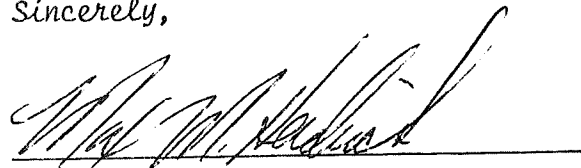
Passage of House Bill 2001 is important not only to Banking Institutions but also to the customers and communities that they serve.

Banks in rural areas are very influential upon the progress and direction their respective communities are heading.

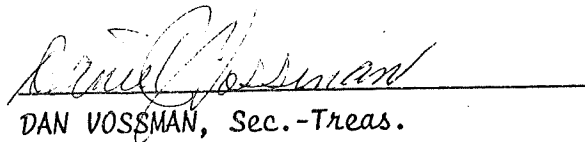
If banks are able to compete with S & L's, credit unions, etc., it can only help the overall economy of local businesses and thus consumers.

Competition is what makes the business world grow, and your Support of House Bill 2001 will eliminate these restrictive regulations and permit Kansas to join the ranks of 47 other states that have previously passed similar legislation.

Sincerely,



MAX HEIDRICK, Vice President



DAN VOSSMAN, Sec.-Treas.

EIDSON, LEWIS, PORTER & HAYNES

LAWYERS

1300 MERCHANTS NATIONAL BANK BUILDING

EIGHTH AND JACKSON STREETS

TOPEKA, KANSAS 66612-1252

913-233-2332

OF COUNSEL:
O. B. EIDSON

PHILIP H. LEWIS
JAMES W. PORTER
WILLIAM G. HAYNES
CHARLES N. HENSON
AUSTIN NOTHERN
CHARLES D. MCATEE
DALE L. SOMERS
K. GARY SEBELIUS
RICHARD F. HAYSE
RONALD W. FAIRCHILD
JOHN H. WACHTER
ANNE L. BAKER
JAMES P. RANKIN

January 24, 1983

TO WHOM IT MAY CONCERN:

For several years I have been interested in lending my support to the adoption by the Kansas Legislature of an act to permit Kansas multi-bank holding companies. Although I recognize there are differences of opinion on the issue, I firmly believe that the failure to enact such legislation is to the disadvantage to Kansas bank customers and the Kansas banking business.

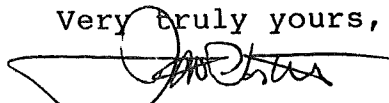
There are a number of reasons for my belief that such legislation should be enacted which include:

1. Individual and business customers will be provided improved banking services through the advent of multiple locations and increased lending capacities.
2. Competition will likely be equalized with federal savings and loan associations which are now able to provide and are providing nearly full banking services upon an allowable statewide basis.
3. Greater opportunity will be provided for the sale of banks under circumstances where there is a desire or need to sell.
4. The majority of the states, not including Kansas and two other states, now permit multi-bank holding companies or branch banks to a substantial degree with resulting growth and prosperity.

More recently, I understand banks located in the large metropolitan centers, such as New York, Chicago, St. Louis and San Francisco, are busily engaged in soliciting and securing business from Kansas industry and Kansas agricultural enterprises, and such activity is likely to increase. The Kansas banking industry must be provided the opportunity to be more competitive with non-Kansas banks which I believe may be accomplished to a substantial degree by the enactment of the pending legislation.

I welcome this opportunity to present my views.

Very truly yours,



James W. Porter

JWP/vem

HUSSEY

Paul H. Heinz
Chairman

TO WHOM IT MAY CONCERN:

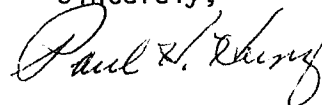
As a consumer of banking services in my community, commercially and personally, this letter is written in support of legislation that would bring multi-bank holding companies to the State of Kansas.

Our business is that of marketing general insurance. Our daily contacts bring us face to face with the retailing, manufacturing, agricultural and construction industries. All of the people involved in these various endeavors comment continually that the highly inflationary trend of the past decade has increased their need for borrowing capacity tremendously. Increased costs for labor, machinery, inventories and supplies coupled with reduced profit margins in a highly competitive market has brought about this need.

All have the common understanding that, if they are to succeed, they can no longer afford the luxury of banking facilities that cannot fulfill their needs. Whether they be in rural or urban communities, they will seek a new and proper source when necessary.

I feel that legislation allowing the formation and operation of multi-bank holding companies in the State of Kansas would be a progressive move to enhance the financial prosperity of both the business and individual people of Kansas.

Sincerely,



Paul H. Heinz

ph/vs
1-20-83

Risk & Insurance Management

Hussey Insurance Agency, Inc.
Merchants Bank Building, Suite 1212
Topeka, Kansas 66612, 913/235-0011

James P. Trickett, C.P.A.
262 Apache Trail West
Lake Quivira, Kansas 66106

February 9, 1983

TO WHOM IT MAY CONCERN:

As a citizen and businessman living and doing business in Kansas, I have become increasingly concerned with the ability of my bank and other Kansas banks to continue to provide me with the services and products which I feel are going to be necessary if I intend to maintain my business in a competitive atmosphere. For this reason, I am asking your favorable consideration of HB 2001 which I understand will be introduced in the 1983 legislative session. While I am sure there are a number of reasons why various individuals and businesses will support or oppose this Bill, I would like to mention only two reasons why I feel that it would be beneficial to me as a businessman.


In the coming years, the ability of a businessman to properly handle his cash and to improve his cash flow is going to become increasingly important. In fact, in some cases it may be the difference between profit and loss. American technology has in the past and will continue to produce new technology to improve our ability to move and utilize our available cash. I am well aware, however, of the tremendous costs of installing and maintaining this technology. I am very fearful that the present system of independent unit banks in Kansas will impact on their ability to provide the capital necessary to furnish this technology. If this should be the case, then other financial and probably nonfinancial institutions will come into Kansas to fill the gap. I personally prefer to handle my banking relations with a Kansas institution.

My other concern lies in the area of the banks' ability to meet the ever increasing demand for funds that will be facing all businessmen. My understanding of banking leads me to believe that the ability of banks to furnish funds depends in part on their ability to accumulate capital. Again I am afraid that under the present system, Kansas banks will be at a disadvantage in attracting capital when they must compete against banks in Missouri, Illinois, Arkansas, Colorado and, in fact, the majority of the other states which do not prohibit multibank holding companies.

For the reasons I have tried to point out above, I think it would benefit the businessmen and the consumers in the state of Kansas to have the multibank holding company Bill passed. It simply appears to me that this form of banking is the system of the future and I would hope to see Kansas banks allowed to compete on an equal footing.

Thank you for taking the time to read this letter and I urge your support for the Bill.

Very truly yours,


James P. Trickett



January 31, 1983

TO WHOM IT MAY CONCERN:

Please accept this correspondence as our position statement regarding the multi-bank holding company concept presently under investigation by the Special Committee on Commercial and Finance Institutions of the Kansas Legislature.

Our company strongly supports legislation that would allow the formation and operation of a multi-bank holding company. In our review of the impact of such legislation in the 47 other states that allow either branch banking or multi-bank holding companies, we discovered several reasons to support following the lead of these states.


- Our business would be better served with multiple locations.
- It would enhance the economic growth opportunities for Kansas.
- It would allow banks to better compete with non-financial institutions providing retail banking services; e.g., American Express, Sears, etc.
- It would provide a freedom of choice to Kansas bankers to choose a bank structure that best serves their shareholders and their customers.
- It would provide a pro-competitive effect on the market.
- It would provide for stronger Kansas banks when interstate banking becomes a reality.
- It would allow Kansas banks to better compete with Federal Savings and Loan Associations which are allowed to branch state-wide.

January 31, 1983

Page 2

We believe that multi-bank holding is in the best interest of Kansas. If Kansas business and industry is to grow significantly, then Kansas banks will need to meet and service their financial needs. Multi-bank holding could well be the key to the rate and degree of growth for business and industry in our state.

Sincerely,


John A. Alberg,
President

JAA:dkt



January 20, 1983

TO WHOM IT MAY CONCERN:

This letter is intended to convey my support of multi-bank holding companies in Kansas. I believe multi-bank holding companies would bring the following advantages to our state.

1. Enable Kansas to compete more effectively with other states in acquiring industry and in sustaining economic growth.
2. Enable Kansas banks to resist effectively "take-overs" by large out-of-state banks when deregulation comes.
3. Make possible improved banking services to smaller communities by facilitating the affiliation of very small banks to bring greater resources and services to meet community needs. At the same time, the consolidation of resources would enable Kansas banks to more adequately meet the loan needs of larger Kansas businesses and industries.
4. Facilitate the ability of Kansas banks to compete on a "level playing field" with Federal Savings and Loan Associations and larger non-financial institutions such as American Express, Merrill-Lynch, Sears, etc.
5. Increase competition to the benefit of consumers.

As a business person, I believe multi-bank holding companies would improve the business climate in Kansas, help sustain economic growth, and bring improved services to the consumer. I believe it is time for our state to join the 47 other states that are already realizing the benefits of multi-bank holding companies.

Sincerely,

A handwritten signature in cursive script that reads "Nancy H. Dykes".

Nancy H. Dykes
President

MORITZ IMPLEMENT CO.

INTERNATIONAL

TRACTORS -- TRUCKS -- FARM EQUIPMENT

TELEPHONE PE 8-3541

BELOIT, KANSAS

January 24, 1983

Kansas Legislature
Topeka, Kansas

Gentlemen;

I would like to express some thoughts about the forth coming action by you gentlemen in regards to mult-bank holding companies. I am in the agri-business (an Implement Dealer), our company has been in business for 64 years, I have been in its operation for 36 years.

36 years ago a large tractor and combine sold for \$3,000 and \$3,500. each. Today they sell for \$100,000, and \$135,000 each. We normally sell our retail customers notes to a local bank because of the personal contact type service offered by this institution. Our customers also remember how badly some of them were treated by out of state financial companies in the old days. Therefore, using local banks is actually a sales tool for us.

The only problem now is that our sales and customer notes are far out stripping the allowed loan capacity of our bank. When things return to normal in our area of farming we could easily have a million dollars of customer notes in a given year.

Allowing multi-bank holding companies would create a situation helpful to our own problem by increasing the capacity of loans thru combining the assets of two or more banks.

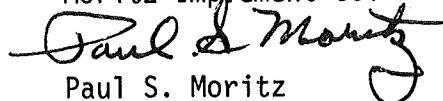
Surely 47 other states can't be wrong in allowing this type of banking. You allow Insurance Companies, Mutual Funds, Saving & Loans, Sears and Credit Unions to enter this area of banking, but so far you are not allowing our small county and regional banks to join together to meet competition.

Lets make the rules the same for banks as you are for the other financial organizations. The consumer will benefit with more competition - but it has to be fair competition - SAME RULES.

Farming is the largest business in Kansas. No one is closer to the financial problems of the farmer than the small local banks and the agr-business dealers.

Lets not limit us out here by any short sightedness on your part. Lets get this done right- and get it done right now.

Moritz Implement Co.


Paul S. Moritz

HARRY T. WEST
3520 WEST 93RD STREET
LEAWOOD, KANSAS 66206

February 4, 1983

To whom it may concern:

As a retired chief executive officer of several savings and loan associations in Kansas and Colorado, I have seen firsthand the difficulties encountered by a small financial institution in its effort to compete with large, powerful, and influential associations. Before branches were permitted in either state, the small association was at the mercy of the large company.

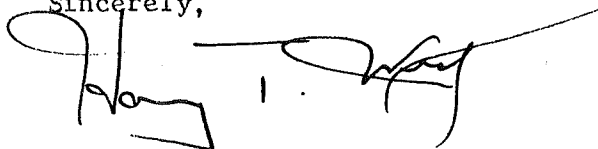
Now branches are permitted in both states, and multi-holding companies in Colorado, and the small association can compete through cooperative mutual ownership. As a result the cost of expensive computer systems can be shared. The customer benefits through the ability to obtain larger loans through a "shared effort", but with still only one set of officials to satisfy.

If I were active once again in the financial field, especially in banking, I should hope for passage of House Bill 2001. I would then feel that my bank would be able to offer better service to its customers and, at the same time offset the fear of intense competition in the foreseeable future from large banks located in Missouri, Colorado, Chicago, or even the East Coast.

Although retired, I am still a Director of a commercial bank and also of a savings and loan association. As such I can see the dangers from outside the State, unless we are given the tools with which to compete.

I urge passage of House Bill 2001 during this session of the Legislature.

Sincerely,

A handwritten signature in black ink, appearing to read "Harry T. West", with a long horizontal line extending to the right.

Russell A. Mosser
1220 Sunset Drive
Lawrence, Kansas 66044
913/843-7421

January 19, 1983

TO WHOM IT MAY CONCERN

This letter is to express my support of Kansas House Bill No. 2001 which would remove the restriction against multi-bank holding companies in Kansas. I believe this is a very important bill which should be passed by the legislature this session. The prohibition against multi-bank holding companies in Kansas is, in my opinion, an antiquated law which restricts vital economic growth in our state.

Sincerely,

Russell A. Mosser


Russell A. Mosser

February 1

To Whom It May Concern:

As a member of the Board of Directors of the Lawrence National Bank, and as someone who has worked closely with legislation involving banks over the years, I would like to state my support of House Bill 2001. This legislation is needed to keep Kansas up to date regarding commercial bank legislation.

Sincerely,



Barkley Clark
Robert A. Schroeder Distinguished
Professor of Law
University of Kansas

BC:bc

LAW OFFICES
BARBER, EMERSON, SIX, SPRINGER & ZINN
MASSACHUSETTS STREET AT SOUTH PARK
POST OFFICE BOX 666
LAWRENCE, KANSAS 66044

RICHARD A. BARBER
JOHN A. EMERSON
FRED N. SIX
BYRON E. SPRINGER
RICHARD L. ZINN
THOMAS V. MURRAY
CALVIN J. KARLIN
STEVEN B. YEAKEL
JEAN F. SHEPHERD
TODD N. THOMPSON

TELEPHONE
913 843-6600

MARTIN B. DICKINSON, JR.
COUNSEL

January 27, 1982

Re: Multi-Bank Holding Companies; House Bill 2001

To Whom It May Concern:

I wish to express my strong support for passage of multi-bank holding company legislation of the kind currently proposed in House Bill 2001. Passage of such legislation is vital both for the economy of Kansas and for the continued viability of Kansas commercial banks.

Although small and independent community banks have served Kansas well in the past, dramatic changes in the national economy and in the structure of financial institutions have made the shift to multiple bank holding companies essential. National financial institutions, including banks in other parts of the nation, are already aggressively competing in the Kansas marketplace. In addition, the unlimited branching available to savings and loan institutions Kansas gives those institutions a dramatic competitive edge over commercial banks. As both these developments accelerate, commercial banks throughout the state, in small towns as well as in large, will find it increasingly difficult to compete effectively.

Multi-bank holding companies offer the only solution that would permit an effective response to these trends while maintaining the best features of local bank boards and local community participation. Well drafted multi-bank holding company legislation would permit the economies of scale and joint efforts among banks that are essential today, while retaining the very strong local community emphasis that would be provided by local boards of directors.

As much as some might yearn for an earlier and simpler day in the financial markets, we must recognize that that time is gone forever. If Kansas banks are to survive and prosper in a way that permits them to continue to serve their local communities, we have no choice but to repond to the times. House Bill 2001 provides an opportunity to do exactly that while retaining the best of the Kansas heritage of community banking.

Sincerely yours,



Martin B. Dickinson, Jr.

MBD:mkb



P.O. Box 1344
Kansas City, Kansas 66117
913—371-3355 (Kansas)
800—255-4098 (except Ks.)

COMMERCIAL CLAIMS INC.

2-9-83

Kansas Legislature
Topeka, Kansas

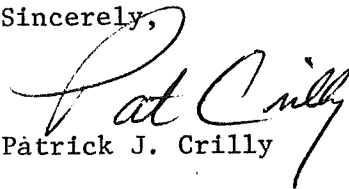
To Whom it May Concern:

As a citizen and businessman living and doing business in Kansas, I have become concerned with the ability of Kansas banks to continue to provide me with the services I feel are going to be necessary to maintain my business in a competitive atmosphere. For this reason, I am asking your favorable consideration of HB 2001 which I understand will be introduced in the 1983 legislative session.

In the coming years, the ability of a businessman to properly handle his cash and to improve his cash flow is going to become increasingly important. In fact, in some cases it may be the difference between profit and loss. I am very fearful that the present system of independent unit banks in Kansas will impact on banks ability to provide the capital necessary to business.

I believe businessmen and consumers in the state of Kansas will benefit from the multibank holding company Bill.

Sincerely,



Patrick J. Crilly

PC:ce



Portland, San Francisco, Los Angeles, Chicago, New York, New Jersey, Boston, Tampa, Kansas City and Seattle

C. R. SCOTT MORTGAGE CO., INC.

420 FIRST NATIONAL BANK TOWER
TELEPHONE 354-7703 No. 1 TOWNSITE PLAZA
TOPEKA, KANSAS 66603

January 28, 1983

TO WHOM IT MAY CONCERN:

I think it is extremely important that the state legislature pass legislation that would allow Multi-Bank Holding Companies.

Some would argue that Multi-Bank Holding Companies would monopolize the banking industry -- not true. If Bank A wishes to purchase Bank B and Bank B chooses to sell to Bank A, then the State and Federal regulatory agencies still must approve of the transaction before the sale can be completed. Of course Bank B always has the right not to sell.

We need a lot less restrictions on the ability of Kansas banks to serve Kansas customers by allowing the free flow of capital where it is needed. In too many cases, economic growth is stymied by the lack of funds in some area of the state. Multi-Bank Holding Companies could provide those funds by drawing on excess funds elsewhere.

By allowing Multi-Bank Holding Companies, commercial banks could compete more favorably with other financial institutions. The Savings and Loan industry was recently allowed to offer many of the same services (checking accounts and consumer loans) as a bank, plus they can branch state wide. Multi-Bank Holding Companies would tend to balance out the present big advantage of the Savings and Loans.

Some opponents say that Multi-Bank Holding Companies would result in the loss of local control. This is already a fact since many banks are now owned by people not living in the community.

Respectfully,



Arnold W. Johnson
Chairman of the Board
C. R. Scott Mortgage Company, Inc.

RALPH G. KELLER
Industrial Consultant
310 W. 49 Street
Kansas City, Missouri 64112

February 8, 1983

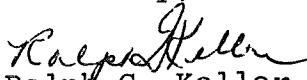
TO WHOM IT MAY CONCERN:

As a former resident of Kansas, now living in Kansas City, Missouri, I would like to stress the importance of multi-banking holding company legislation and the passage of HB 2001.

Though all of my banking and financial needs are, at the present time, still being done in Kansas City, Kansas; the severe competition increasing each year from banks on the Missouri side makes it increasingly difficult to do business in Kansas. I can assure you positive legislation will let your banks compete, help your agricultural business, stabilize your present industry and create a better base for new industry in Kansas.

Certainly, forty-seven states can't be wrong, so, I am sure favorable legislation will be completed in Kansas in 1983 to help your businesses as well as the residents of the state of Kansas.

Sincerely,


Ralph G. Keller
Industrial Consultant



Thomas McGee & Sons
INSURANCE AND SURETY BONDS

COMMERCE TOWER ■ 811 MAIN STREET ■ KANSAS CITY, MISSOURI 64199 ■ P. O. BOX 13365

February 8, 1983

Kansas Legislature
Topeka, KS 66612

Gentlemen:

As a businessman and a lifelong resident of Kansas, I felt an obligation to express my views on House Bill 2001 which is to be introduced in this year's legislative session.

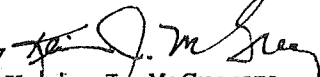
The economic growth of any industry is dependent upon the availability of funds. With the needed funds, industry can provide increasing levels of employment. The current banking laws greatly restrict the pooling of capital and therefore hinder that growth.

As you are well aware, the vast majority of states allow multi-bank holding companies. Kansas banks must be permitted to compete with financial institutions from other areas of the country. The economic growth of our state is at stake. I urge your support of Multi-Bank Holding Company Legislation.

I appreciate the opportunity to express my views.

Sincerely yours,

THOMAS MC GEE & SONS

By 
Kevin J. McGreevy
Partner

/am

Your Insurance Protection Is Our Business

McDowell, Rice & Smith, Chartered

ATTORNEYS AT LAW

KANSAS CITY, OFFICE
600 SECURITY NATIONAL BANK BUILDING
SEVENTH & MINNESOTA
KANSAS CITY, KANSAS 66101
913-821-5400 913-371-7750
CLAUDE L. RICE JOSEPH H. McDOWELL
R. PETE SMITH
ROBERT G. HERNDON
BYRON C. LOUDON
DONALD E. BUCHER
EILEEN HINEY
THOMAS E. NUTTER
CARL S. BLACK
MARK S. GUNNISON
JAMES S. WILLIS
CHARLES F. SPEER

WICHITA OFFICE
221 NORTH MAIN STREET
SUITE 231
P. O. BOX 3446
WICHITA, KANSAS 67201
316-263-8400
JOHN K. PEARSON

OF COUNSEL
KANSAS CITY OFFICE
913-371-7750
CARL V. RICE
THOMAS C. LYSAUGHT

February 7, 1983

Kansas Legislature
State Capitol
Topeka, Kansas 66612

Gentlemen:

As a citizen and businessman living and doing business in Kansas, I have become increasingly concerned with the ability of my bank and other Kansas banks to continue to provide me with the services and products which I feel are going to be necessary if I intend to maintain my business in a competitive atmosphere. For this reason, I am asking your favorable consideration of HB 2001 which I understand will be introduced in the 1983 legislative session. While I am sure there are a number of reasons why various individuals and businesses will support or oppose this Bill, I would like to mention only two reasons why I feel that it would be beneficial to me as a businessman.

In the coming years, the ability of a businessman to properly handle his cash and to improve his cash flow is going to become increasingly important. In fact, in some cases it may be the difference between profit and loss. American technology has in the past and will continue to produce new technology to improve our ability to move and utilize our available cash. I am well aware, however, of the tremendous costs of installing and maintaining this technology. I am very fearful that the present system of independent unit banks in Kansas will impact on this ability to provide the capital necessary to furnish this technology. If this should be the case, then other financial and probably nonfinancial institutions will come into Kansas to fill the gap. I personally prefer to handle my banking relations with a Kansas institution.

My other concern lies in the area of the banks' ability to meet the ever increasing demand for funds that will be facing all businessmen. My understanding of banking leads me to believe

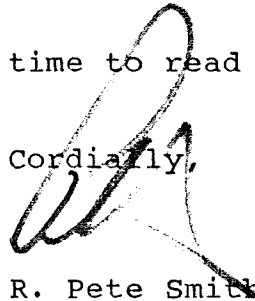
Kansas Legislature
February 7, 1983
Page 2

that the ability of banks to furnish funds depends in part on their ability to accumulate capital. Again I am afraid that under the present system, Kansas banks will be at a disadvantage in attracting capital when they must compete against banks in Missouri, Illinois, Arkansas, Colorado and, in fact, the majority of the other states which do not prohibit multibank holding companies.

For the reasons I have tried to point out above, I think it would benefit the businessmen and the consumers in the state of Kansas to have the multibank holding company Bill passed. It simply appears to me that this form of banking is the system of the future and I would hope to see Kansas banks allowed to compete on an equal footing.

Thank you for taking the time to read this letter and I urge your support for the Bill.

Cordially,

A handwritten signature in dark ink, appearing to read 'R. Pete Smith', is written over the typed name. The signature is fluid and cursive, with a large loop at the top.

R. Pete Smith

RPS/sdr

GANTENBEIN & FRASIER

HARRY W. GANTENBEIN

CURTIS A. FRASIER

ATTORNEYS AT LAW

108 EAST MAIN STREET · BELOIT, KANSAS 67420 · TELEPHONE 913/738-5723

January 19, 1983

Kansas Legislature
State Capitol Building
Topeka, Kansas 66612

In Re: Kansas Banking Laws

Ladies and Gentlemen:

With the everchanging statutes and regulations concerning financial institutions and their direct competitors, it is imperative that the Kansas Legislature review and address the current problems that exist under the present Kansas Banking Law.

For many years our local banks have been the backbone of the financial structure in the rural areas. However, due to the present Kansas Banking Law these banks have severe limitations which are not faced by their direct competitors. Dramatic changes in regulations have come to pass in relation to savings and loans and credit unions over the past few years. At this time they are in direct competition with the banks.

This competition is good in relation to providing the communities with high quality financial services at competitive costs. Banks are finding themselves, however, unable to compete in some areas due to their limited resources. Under the current bank holding company law, the banks in Kansas are stymied in having the ability to offer quality services in surrounding communities. Furthermore, they are unable to apportion costs of higher quality service among other institutions without pricing many of their services beyond a competitive rate with other institutions or money-market funds. As has been in the past, these banks are an important part of the rural financial economies. If they are not able to compete on a competitive basis, they will continue to lose deposits to other financial institutions which have broader authority or to money-market funds which remove the deposits from the community and prevent further growth and development.

At this time the banking industry is not desiring to receive an upper hand in the competitive position it will hold with other institutions and funds. The desire is only to be able to compete on an equal basis. As with any free enterprise

system, the quality and cost of services provided will only be improved by allowing greater competition between competing entities.

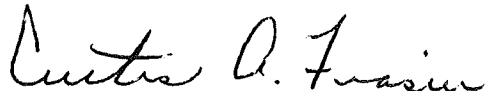
Our banks in the State of Kansas do a better job than any of the financial institutions in assisting in the growth and development of the communities. By having proper banking authority to compete on an equal basis with other institutions, economic development of our local communities can continue to improve. Furthermore, the customer will be better served under such competitive basis with all financial institutions having to work under the same rules and regulations.

With the changing of banking laws throughout the United States, at this time Kansas is only one of three states which has the restrictive rules which have been discussed above. Surely other states in making the move from previous restrictive actions have felt the necessity to make all financial institutions equally competitive. Furthermore, if the changes they implemented had not been effective their legislatures surely would have reinstated the previous guidelines.

I look with great interest on improvements that can be made in the Kansas Banking Industry once these restrictions have been lifted. As in other industries by allowing banks to serve their communities on a more competitive basis both the state and the local citizen will benefit. This will be due to additional services and higher quality services which are not possible under the present restrictions.

Time is of the essence for the current banking industry. Therefore, it is imperative that the Legislature review thoroughly the current banking law and take action to assure that our community banks remain a strong member of the financial make-up of our local economy.

Very truly yours,



Curtis A. Frasier

CAF:mh

February 9, 1983

Representative Henry Helgerson
House of Representatives
State Capital
Topeka, Kansas 66612

Dear Mr. Helgerson:

With our twenty-six years of business experience in Kansas, including branch operations in five cities, I have developed a strong feeling about the importance of better banking facilities in our state. Our smaller communities simply do not have sufficient available capital and banking expertise to fully develop their economic potential.

The well-run small town bank certainly will always have a place in terms of service to the individual, the farmer, and the smaller business person in those communities. That same small town bank can seldom provide sufficient service for a growing economic enterprise such as a manufacturer. Kansas is clearly behind the rest of the country in its statewide banking capability. The need exists, and other ways will be found to meet the need. Consolidations of banks owned by a single individual, and the growing impact of out-of-state banks, are two ways this need will be met.

A better way would be to allow multi-bank holding companies to operate in our state. Please give this concept your enthusiastic support.

Sincerely,

Fred Berry
President

February 9, 1983

To Whom It May Concern:

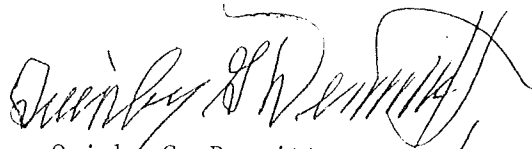
Please consider this letter as my positive stand on House Bill 2001. I want you to know that without our local bank helping with the huge credit needs of my feedlot, that it would be very difficult for me to operate my business satisfactorily. My feedlot credit needs sometimes exceed 6 figures, fortunately for me our local bank has been able to provide for my credit needs through their association with other banks.

I feel that our bank should be able to compete with the savings and loans, credit unions and insurance companies.

The capital needs for farming today have far out-stripped the capacity of most Western Kansas banks. I would appreciate you giving your support to House Bill 2001.

Thanking you in advance.

Sincerely,

A handwritten signature in cursive script, appearing to read "Quinby G. Demmitt". The signature is written in dark ink and is positioned above the typed name and address.

Quinby G. Demmitt
Box 489
Meade, Kansas 67864

February 10, 1983

To Whom It May Concern:

I just wanted you to know that I support House Bill 2001 and I think it is a good move for Kansas banks to have that option available to them.

I am an irrigation, dryland-cattle operator in Western Kansas. My credit needs are larger than the bank can provide me with its present loan limit. Fortunately for me, my bank is associated with several other banks and can provide me with the operating needs that farming and ranching require.

I also think multi-bank holding companies in Kansas would give me an opportunity to some day own some stock in our local bank. As you know, most bank's ownership is tied to a very few individuals.

Thanking you in advance for your support of this bill.

Sincerely,

B. H. Little

B. H. Little
Maceda, Ks

Topeka Datsun Motor Co., Inc.



3030 South Kansas Ave. 913-267-1454
Topeka, Kansas 66611

February 10, 1983

To whom it may concern;

Kansas remains one of only three states prohibiting multi-bank holding companies. I am pleased that a change in this banking structure is being considered by the Kansas legislature. Permitting the formation of Multi-Bank Holding Companies could improve services, increase availability of funds and foster competition.

Smaller banks in particular could improve services because of savings realized through more efficient operations. An added convenience accompanying improved services would be the allowing of loans at branch facilities.

Secondly, allowing banks to better serve large corporate customers through greater concentration of resources is important to all Kansans. This enhances our state's ability to attract industry, creating both jobs and additional revenue. Having grown up in a farming community, I realize how important this is to the farmers as well. Agricultural lending could be enhanced through increased availability of funds.

I am confident the legislature will deal professionally and analytically with this issue, and not reduce the facts to emotion. I trust that this matter will not be reduced to a rural-urban riff, generally resulting in detrimental effects on the economic outlook in Kansas.

Respectfully,

A handwritten signature in cursive script that reads "Jeff Blackwell".

Jeff Blackwell
Senior Vice-President
Topeka Datsun Motor Co., Inc/Sunflower Motors, Inc.
3115 S Kansas
Topeka, Ks. 66611

DWANE L. WALLACE

760 FOURTH FINANCIAL CENTER

WICHITA, KANSAS 67202

February 9, 1983

Representative Henry Helgerson
State Capitol Building
Topeka, Kansas 66612

Dear Henry:

It is my judgment that multi-bank holding companies would improve the economic growth opportunities of our State. Many other states permit multi-banking companies; some adjacent to Kansas.

Kansas needs every assistance in restoring and maintaining a good economic climate. Henry, I hope you will give it your support.

Cordially,

A handwritten signature in cursive script, appearing to read "Dwane", written in dark ink.

Dwane L. Wallace

ROBERT F. VICKERS

1100 VICKERS-KSB&T BUILDING

WICHITA, KANSAS 67202

February 9, 1983

The Honorable Ben Foster
House of Representatives
State House
Topeka, Kansas 66612

Dear Ben:

All forecasts I have seen show Kansas as basically a no-growth state. I feel one cause of this problem is our present banking system.

Economic growth cannot be maintained without sufficient capital to eliminate the influx of funds from outside the state and maximum flexibility in the movement of those funds. A strong banking system is necessary, and the best way to strengthen our system is to have multi-bank holding companies. This provides maximum flexibility along with a larger capital base.

I strongly urge your support of the multi-bank system.

Sincerely,

A handwritten signature in dark ink, appearing to be 'RFV', written in a cursive style with a horizontal line underneath.

JAMES R. GRIER, III

610 NORTH MAIN

WICHITA, KANSAS 67203

February 10, 1983

Representative Neal D. Whitaker
91st District Representative
House of Representatives
Kansas State Capitol
Topeka, Kansas

Dear Neal:

Over the last several years it has become apparent to me that the banking system in the State of Kansas needs to provide more flexibility and needed capital so that businesses will not be severely restricted in our local communities or any part of the state.

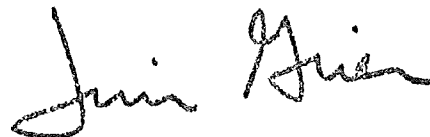
Other states have banking systems which permit multi-bank holding companies in a more extensive manner than those provided in the State of Kansas. It seems to me that the State of Kansas would be better served by different legislation than is currently in effect for multi-bank holding companies.

Much of the financing of businesses in the State of Kansas is done by out-of-state banks due to there being so many small banks and the fact that these small banks as individual entities cannot provide the necessary financing for Kansas businesses.

If our state is to have effective economic growth then most certainly multi-bank holding companies would be in a position to enhance this economic growth for our state.

Please give your support to legislation that will insure multi-bank holding companies for the State of Kansas.

Sincerely,

A handwritten signature in cursive script, reading "Jim Grier".

February 8, 1983

Repr. Harold Dyck
Kansas House of Representatives
State Capitol
Topeka, KS 66612

Dear Harold:

I hope that you will support legislation to permit Kansas to have multi-bank holding companies.

It is my belief that such an action will facilitate the economic growth of Kansas, both rural and urban -- improve employment opportunities and improve the flow of tax dollars into State coffers.

Additionally, I am very concerned that under present laws we will find non-Kansas interests acquiring ever larger proportions of our state banking system. Such a trend will not be conducive to having our state realize the economic betterment that our Kansans deserve.

Best regards.

Sincerely,

Wesley H. Sowers

WHS:ih

KEN WAGNON
P. O. BOX 3358
WICHITA, KANSAS 67201

February 8, 1983

The Honorable Ben Foster
House of Representatives
The State Capitol
Topeka, Kansas 66612

Dear Representative Foster:

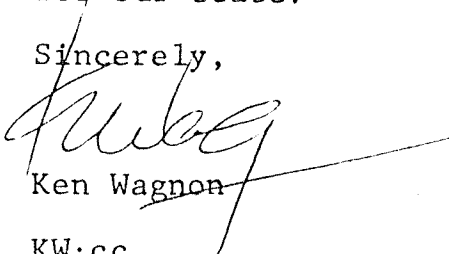
I am writing to encourage your support of legislation which would permit multi-bank holding companies in Kansas.

I operate a number of Pizza Huts in the states of Maine, Vermont, New Jersey, Tennessee, Virginia, Utah and Colorado and have therefore had the opportunity to give various types of banking systems the "acid test" of use. It is very clear to me that multi-bank holding company states provide, by far, better economic growth opportunities and more flexibility.

I have, in the recent past, been forced to use "money center" banks in Chicago and Pittsburgh, Pennsylvania to accomplish my financing needs because of the cumbersome bank laws in our state. It seems a travesty that I should be forced "out of state" to do business when that same activity conducted in Kansas would benefit us all.

Once again, I urge your support of bank holding companies for our state.

Sincerely,


Ken Wagon

KW:cc



TOPEKA AMC-JEEP INC.



American
Motors

mazda

Jeep[®]

3137 SOUTH KANSAS

TOPEKA, KS. 66611

(913) 266-8858

February 14, 1983

To Whom It May Concern:

I am pleased to see that the Kansas Legislature will be considering the repeal of the prohibition against multi-bank holding companies in the 1983 session. However, my pleasure is somewhat tempered by the fear that the issue will become a classic urban versus rural battle that may be decided on an emotional basis rather than a sober examination of the facts.

The opponents of multi-bank holding companies say that agricultural lending would be curtailed. It seems to me that agricultural lending would be enhanced by the availability of funds from all areas of the state rather than a local basis only. Some businesses are not attracted to Kansas because of our banks lack of ability to lend them large sums of money. Some large Kansas businesses must borrow their money out of state in order to meet their growing needs. This is a condition that is not healthy to the growth that would benefit all Kansans.

Let's join 47 other states that have repealed the prohibition against multi-bank holding companies and give our Kansas economy a fighting chance.

Sincerely,

A handwritten signature in cursive script that reads "Dwight Jepson".

Dwight Jepson
President
Topeka AMC/Jeep, Inc.

DJ/sc

J. E. BOZARTH
Director of Operations
913-266-8858

February 14, 1983

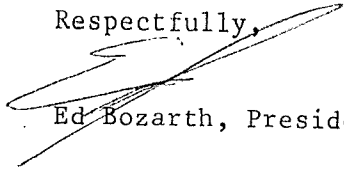
To Whom It May Concern:

I am pleased the Kansas Legislature is considering the need for Multi-Bank Holding Companies in Kansas. To lift the prohibition on bank holding companies would be a boon to the Kansas economy through increased availability of funds, greater competition, increased services and economy of operation.

In particular, I am concerned about the need for Kansas to attract business and industry. A recent study indicated Kansas boasts the tenth (10th) best business climate in the United States. Unfortunately this position is hampered in part by lack of available funds for large corporate customers. In testimony before the Legislature's Special Committee on Commercial and Financial Institutions, Robert Brock summed it up this way: "...You, ladies and gentlemen, are going to have to decide...whats best for the Kansas economy. It seems to me that we need a lot less restriction on the ability of Kansas banks to service Kansas customers, and we need free flow...of capitol, to where its needed in a more free banking economy if we're going to grow and prosper to our full potential..." At the conclusion of testimony, that same committee concluded that legislation permitting multi-bank holding companies in Kansas could enhance and support economic growth and development in the state, provide Kansas customers with more bank services, improve the competitive environment of financial services and provide greater parity between banks and other financial institutions. I concur with the findings of this special committee.

To repeal the prohibition on multi-bank holding companies in Kansas could enhance growth opportunities for both existing and potential businesses in Kansas. Again, positive side affects of this legislation should be greater competition, increased services and greater profitability through economy of operation.

Respectfully,


Ed Bozarth, President

EB/bh



Automobile Center • 3100 Kansas • Topeka, Kansas 66611

WILSON, BEARD, GOOD & CORDES

ATTORNEYS AT LAW

148 N. FOWLER

MEADE, KANSAS 67864

DAVID J. WILSON
E. KEITH BEARD
DONALD D. GOOD
TERRY E. CORDES

AREA CODE 316
873-2133

February 11, 1983

Mr. Dean Shelor
State House
Topeka, Kansas 66612

Dear Dean:

I am writing you to give my support for House Bill 2001. It is my opinion that with the growing size of farm operations in our area, such legislation would be to the benefit of local farmers. As a farmer yourself, you know the great amount of money needed to operate a farm. It has become increasingly difficult for farmers to obtain adequate financing through their own banks because of credit limits. I feel that House Bill 2001 would help to alleviate this situation.

Thank you for your assistance.

Sincerely,

Donald D. Good

DDG/jkc

RECEIVED

JAN 20 1983

Bob W. Storey

ATTORNEY AT LAW

SUITE 403
COLUMBIAN TITLE BLDG
820 QUINCY
TOPEKA KANSAS 66612
PHONE (913) 232-9383

January 24, 1978

Re: House Bill 2561

Dear Legislator:

Please be advised that Bob Tilton, of Topeka, and I are Legislative Counsel for the proponents of the above proposal, which are many in number and encompass bankers and citizens from all over the State of Kansas.

We feel that in all honesty we must respond to the recent correspondence you have received from the Kansas Independent Bankers, which does not even remotely reflect the contents of this particular proposal.

First, let us explain, and we are sure that you are well aware, that House Bill 2561 amends current law. More specifically, we would direct your attention to page 2 of House Bill 2561 and the new language which has been inserted, and we quote:

"Issuing and redeeming obligations of the Treasury of the United States of America in denominations of one thousand dollars or less, making all consumer loans as defined by K.S.A. 16a-1-301 authorized to be made at the principal place of business of said bank subject to the same conditions and limitations."

Without being repetitious, we would also point out the exact language appears in paragraph 2 on page 2 of House Bill 2561 and has the same meaning except in that paragraph it is referring to a bank with a state charter.

The rest of the law contained in House Bill 2561 is present law.

The main reason for our quoting this language is to point out very strongly that in the letter under the date of January 10, 1978, you received from the Kansas Independent Bankers, and also in the policy statement which was enclosed therewith, you are urged to

Attachment 2

Hse Commercial & Financial

2/17/83

January 24, 1978

vote against this legislation for the reason that statewide branch banking and multibank holding companies are not good for the bankers, small business men, consumers, and all citizens of the State of Kansas. Let us say in response to that that we have no argument with the Kansas Independent Bankers over that statement, nor is either one of us supporting those particular concepts. As a matter of fact, if you will inspect House Bill 2561 rather closely, you will not find any language in that bill relating to statewide branch banking or multibank holding companies.

Further, we would like to point out that if either one of those concepts would ever become a reality in the State of Kansas, you or your successor would have to vote on those measures, since they could not possibly be enacted without approval of the state legislature, which we are sure would look with disfavor on both concepts.

If the Kansas legislature decided not to pass any legislation which could, in later sessions, be subsequently amended into something unfavorable, there would not be a single bill passed this session. That is why legislators insist that debate on bills be confined to the substance of what the bill actually provides for, not what some future bill might provide for at some future time. The legislature can deal with branch banking or multibank holding companies when and if they are drafted into bill form. These issues are not present in HB 2561.

Another fictitious statement in the position paper and the letter you have received is that this bill indicates that the only interested persons are a small handful of urban banks. We would like to point out to you at this time that the banks we represent, who are the proponents of this legislation along with various consumers, are not all located in urban areas. Many of the banks which support this legislation are in the rural areas of the State of Kansas, and they support it because it authorizes a bank to give full services to its customers, if it in fact has a legal facility within the city where the main bank is located.

This bill, as we are sure you are aware, would make it possible for a consumer whose credit has been approved by a certain bank to sign a note at the detached facility for the purchase of a TV set, automobile, or other such items without having to drive to the middle of town, and to secure a parking place, so he or she could merely go into the main bank and sign his or her signature and then drive back to the edge of town where they are either employed or reside.

The interesting part about this bill is that we keep talking about banks when in essence, if one stops to reflect, it can be said that

January 24, 1978

the only person who would benefit from this particular proposal would be the consumer; and that is because the bill does not allow any additional facilities, any facilities outside the territorial limits now imposed by law, and does not give any powers to a bank which they do not now have at their main banking facility.

We once heard an opponent of this bill state that since it was a consumer-oriented bill, the only way to attack it would be to embellish the theory of statewide branch banking and multibank holding companies. Last summer, we made a specific point to determine if the interests we represent would be amenable to statewide branch banking for the specific purpose of negating the comments we have heard for the past year. We can state without equivocation that the proponents of this legislation whom we represent would not support multibank holding companies if they were encompassed in this legislation. The legislature has a complete safeguard against those two concepts, if in fact they are not desirable, by the fact that they would have to be presented as stated above to the full legislature for its approval if and when those measures ever came before that august body.

You will note in the position paper that you have received from the Kansas Independent Bankers that the complete two pages are dedicated to a multibank holding company monopoly theory. As stated above, we could not agree more that a multibank holding company is a monopoly concept. However, what does that have to do with House Bill 2561?

We would request that when an opponent urges you to vote negatively on this proposal, you ask him or her the following questions:

1. How can House Bill 2561 as amended possibly be detrimental to a bank?
2. How can House Bill 2561 as amended be detrimental to a consumer?
3. How can House Bill 2561 as amended be detrimental to the small business man?
4. How can House Bill 2561 as amended be detrimental to a Kansas citizen?

If the above four questions are answered honestly and sincerely, we believe that you would agree that this legislation, House Bill 2561, taken in that concept could only be beneficial to all

January 24, 1978

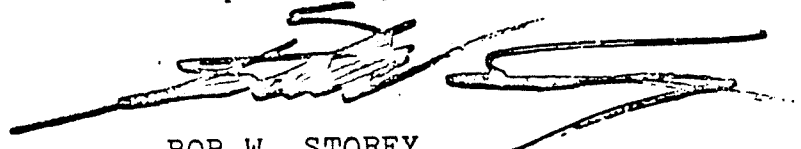
of the classes above and could not possibly work to the detriment of any of them.

As far as the banks in the State of Kansas, we would have to honestly say that a good number support this legislation, a good number do not support the legislation, and a large number simply have no interest. If a bank does not have a detached facility, it cannot possibly be affected! If a bank has a detached facility, it may simply provide the same services it does at its main bank, or it may not, at its own option.

We have attempted to the best of our ability to negate the really unfair position that we have been placed in by the emotional argument that "big banks gobble up little banks" and "monopolies are not good for the consuming public," and we hope that we have accomplished the purpose of explaining to you that those are not issues contained in this legislative proposal.

In any event, we sincerely thank you for taking the time to read our position on House Bill 2561. We would urge you before you decide either affirmatively or negatively on House Bill 2561 to spend a few moments to sit down and give it your closest consideration, and we believe that you will find that the points which we have set out in this letter are accurate as they reflect the proposed amendments to the present Kansas law.

Respectfully submitted,



BOB W. STOREY



ROBERT E. TILTON

BWS:RET:mh