

Contact:
Kelly Robison, Bureau Chief
Financial Institutions Bureau
Department of Finance
(208) 332-8000

Randy Shroll
Department of Commerce
(208) 334-2470

NEWS RELEASE

For Immediate Release

January 6, 1998

FINANCIAL SERVICE PROVIDERS RANK IDAHO TOP CHOICE FOR RELOCATION, EXPANSION

(Boise) -- Idaho earned the top ranking among all states in qualities that attract payment industry businesses according to a study commissioned by MasterCard International. Executives at a number of major credit card issuers in the U.S. ranked all states in four key categories: economic and regulatory environments, legal climate and quality of life.

Idaho Department of Finance Director Gavin M. Gee says Idaho's ranking comes as no surprise. "Idaho has the best banking and financial services law in the entire country," says Gee. "I don't know of any state that offers the flexibility we have, while protecting consumers and offering them a host of financial choices."

Gee cites Idaho's favorable consumer credit code, the absence of a usury law and the state's favorable regulatory and legal environment as key reasons why payment industry companies are attracted to Idaho. He says under a recent U.S. Supreme Court decision and other regulatory developments, businesses can export many of Idaho's favorable financial laws to customers in other states. "State and federal laws now permit financial institutions to operate and offer financial services on an interstate basis," Gee explains. "Idaho has enacted several laws authorizing interstate financial services in a flexible regulatory environment."

Gee says the study is another indication the word is getting out about Idaho's favorable climate for financial service providers. "We're seeing more new banks, mergers, bank relocations and a good deal of expansion at all levels," Gee said.

Idaho Department of Commerce Director Thomas A. Arnold says the state's healthy economic climate, government's strong pro-business position and modern telecommunication network are positive features that help attract payment industry companies. "Our high-speed data

communication systems, fiber optic network, digital switching, and advanced telecommunication services are perfect for sophisticated call center operations needed by credit card centers and service bureaus," Arnold said.

The MasterCard survey findings were calculated from a weighted index measuring eight separate criteria including late fee restrictions, annual percentage rates and over-limit fees, legal environment, credit reporting statutes, cost of doing business, quality of life and availability of skilled work force measured by percentage of college degrees.

Idaho's Workforce Development Training Fund assists expanding or relocating companies by providing funds to help train new employees. These funds, coupled with the resources of Idaho's technical colleges in each region of the state, are available to train employees for the specific technological needs of a company.

In the survey, a friendly legal environment emerged as the single most important attraction for credit card issuers. As in past studies, smaller states continue to rank higher than major industrial states.

Copies of the study conducted for MasterCard by DRI McGraw-Hill and the law firm of Jones, Day, Reavis and Pogue are available by contacting the Idaho Department of Commerce at 208-334-2470 or the Idaho Department of Finance at 208-332-8000.