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there will be much discussion about that bill. There will be some considerable wailing and gnashing of teeth and concern among business interest about driving capital from the state. The point I want to make is this, that with the present inflation rate, it is something like 2.7 percent which we are constantly reminded of, we have been told many times that we need a real difference of three to four percent between the rate of inflation and the cost of money. That means that perhaps a reasonable rate of interest would be 6 to 9 percent, somewhere in there, certainly not the 12 to 14 or 15 percent which we see common for most business loans today and the up to 24 percent which we see allowable under this bill. I just suggest that we take a good look at what has really happened to us and ask ourselves if we are really going to accept this kind of interest rate forever and ever and ever without taking a look at whether or not these so-called free market forces which we allowed to work when inflation was rampant and the prime was forced to increase is not working when prime is down to 2.7 and the market system is not apparently working in reverse. It is kind of ironic you know that we have been told that the principal cause for the high cost of money is the huge federal deficit. I remember a year and a half or two years ago I stood here and forecast a federal deficit of \$200 billion.

PRESIDENT: One minute.

SENATOR SCHMIT: I was severely castigated because of that. Ultimately we have found that was almost a commonplace figure. What I would like to suggest is that the most significant reduction we could have in the national debt today would be a reduction of 4 or 5 percent in the interest rate which would result in a hundred billion dollar reduction in the federal deficit. Anything that we do that indicates that interest rates are forever locked in this range I think should be looked at very carefully. I will not vote to advance the bill at this time. I would ask that it be viewed very carefully and that we take a good look at what Senator Landis has proposed.

PRESIDENT: Senator Vard Johnson.

SENATOR V. JOHNSON: Mr. Speaker and members of the body, I