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(Start Belt #4)

\$1500 and I am just trying to update these things in the light of our--the cost at the present time, the cost of these items that are needed in families to avert hardship in the case of creditors attaching his property by execution on judgment sales. I think this is a reasonable increase and should not hurt anyone.

SPEAKER: The chair recognizes Senator Burbach.

SENATOR CARPENTER: I move that the bill be (inaudible) Initial.

SPEAKER: Thank you.

SENATOR BURBACH: I would like to ask a question of Senator Carstens.

SPEAKER: Senator Carstens, will you yield?

SENATOR CARSTENS: Yes.

SENATOR BURBACH: Senator Carstens, I don't believe that it was discussed at the public hearing. I had meant to ask the question and I suppose I forgot it. In Section I, the old language says 500 and the new language says 1500. In Section II, the old language is 1000 and refers to 1500. What are the differences between Section I and Section II.

SENATOR CARSTENS: You know, Senator Burbach, I am sure that this bill is correct. I hadn't thought about it but it just occurs to me now that when we amended this previously from 500 to 1000, Section I was somehow overlooked and I am glad you mentioned this because I had the experience of wanting to find this exemption. I knew we had raised it to \$1000. I was certain. I was in Judiciary Committee when it was heard and when I got back to applying it I couldn't find the \$1000 exemption anywhere and this accounts for it.

SENATOR BURBACH: The reason I asked you this question, Senator Carstens, I know you didn't intend to mislead me but you said that it had not been changed and this is the thing that you referred to, that this particular Section I had not been changed but Section II had been, I believe.

SENATOR CARSTENS: Yes, I didn't know until you just mentioned it that this discrepancy existed.

SPEAKER: The chair recognizes Senator Nore.

SENATOR NORE: Mr. President and fellow members, I think what we're doing here, we can take care of this, that is, the folks who are doing the finance business they increase the interest rate. That's how your--you increase the risk. I am not opposing the bill. You'll remember that you are going to increase the interest rates automatically because the risk is greater. Interest is in proportion to risk. So you are helping the folks that have to go through bankruptcy and penalizing those who don't. You are just going to have to take care of this real easily by--the finance people by just increasing the interest rate in proportion to the risk. So I don't know whether we are helping more people or causing higher interest rates to young families.

SPEAKER: Any further discussion? The chair recognizes Senator Carpenter.

SENATOR CARPENTER: Mr. Chairman, it seems to me that the important thing of this bill who is going to establish the value of these things.