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go through. In other words, the situation would remain the same today.

SENATOR KEYES: In other words, then they will be able to make you loan and pay 9% interest. And then deduct 1 or 2 or 3% for making the loan from your principal, so that you are actually paying 11 or 12%, and really only showing 9 on the books.

SENATOR DECAMP: Well, the point situation that exists today, is going to remain the same, whether this bill passes or is killed or anyway else. You or God isn't going to change that for awhile Senator Keyes. I hope you understand financing enough to understand that.

SENATOR KEYES: My friend, I understand financing and I understand interest across this state and this nation pretty good.

PRESIDENT: Senator Cavanaugh.

SENATOR CAVANAUGH: Senator DeCamp yield to a question.

SENATOR DECAMP: Sure.

SENATOR CAVANAUGH: Section 2 of the committee amendments. Number two of the committee amendments. Would allow any rate of interest that could be charged...that could be contracted for between corporation and the lender, and between an individual and the lender, if the amount exceeds \$50,000 right?

SENATOR DECAMP: That is correct.

SENATOR CAVANAUGH: Effectively it eliminates any usage in those transactions.

SENATOR DECAMP: Well, not really. Because you see that already is the situation. You are aware of that aren't you.

SENATOR CAVANAUGH: Aware of what?

SENATOR DECAMP: The corporations already can do that.

SENATOR CAVANAUGH: No, but the private individuals.

SENATOR DECAMP: Private individuals. This would add that to private individuals above \$50,000 correct. Give them the same rights as corporations. But the law already allows corporations to do this, Senator Cavanaugh.

SENATOR CAVANAUGH: Right, I understand that, but we are adding private individuals.

SENATOR DECAMP: Right, and the reason for this is primarily because corporations are usually formed as a sham to get around the law, and a private individual is forced into personally guaranteeing it. This merely eliminates the sham, and sets a realistic situation.

SENATOR CAVANAUGH: Thank you, Senator DeCamp.

PRESIDENT: Senator Mahoney.