

March 28, 1974

PRESIDENT: Well, if you don't know. I have other lights on. Senator Warner.

SENATOR WARNER: Mr. President, I wanted to comment I guess somewhat in addition to what Senator Carpenter's remarks, that I am amazed to hear that the Exon Administration is in support of increasing interest rates on homes. Obviously he is in support of increased property tax on homes. And I can't imagine I just can't imagine, that if you are going to allow \$50,000 loans to be negotiated. And Senator Carpenter, what do you have to negotiate with? AT least my experience when I go to the bank, or to other institutions to borrow operating money, I ask him what I can get it for. And then I ask him if he'll give it to me. And I never negotiated anything in my life. I guess I could threaten to take my bank account out, but that would not shake him up in the least. My real concern is, that if we start increasing this the real person who is going to get hurt is the small person. Because obviously the money that is available for loaning is going to go to the highest rate of interest. And it's the people who have the most difficult time to receive loans in any event, are going to have their source of loans dried up. I would hope that whenever the discussion of the bill and it's amendments are over with the motion, I understand is on for indefinitely postponement can be taken up.

PRESIDENT: Senator Duis.

SENATOR DUIS: Mr. President and members of the Legislature. Actually I'm in a position here of only trying to explaining the situation regarding the bill, I would presume. During the course of last year, I did make the attempt, because of people who needed money real badly to have the Governor call a special session of the Legislature to deal with this problem. He told me at the time that he would check on it and get back to me, which he did. And he used me well, and I felt properly chastised after I had visited with him because he advised me that he contacted banks in Omaha, Lincoln and around the state, and there was no need for such a thing, and that the person shouldn't be taking advantage of the poor people of the state of Nebraska, who incidently I believe, had the opportunity now of borrowing money at 18 or 19% or whatever it might be from finance companies. I adhered to his good advice at the time that this would be taking unfair advantage of the people of the state of Nebraska to do away with the usury rate, so that some individuals might be able to borrow money. He then gave a number of ways to these particular people, that they could get around the usury law, which they in turn replied to him were unlawful, but possible. Now then, I said in committee, and I hear the Banking Director come in who is supporting an increase in the usury rate. Now, I don't know how often you can change your mind, and I change, I'm sure every once in awhile. But I for one, am going to sit tight on this and I'm not going to do a thing about it until the Chief Executive makes up his mind as what he would like to with the usury rate in Nebraska. Thank you.

PRESIDENT: Senator Keyes.

SENATOR KEYES: Mr. President and fellow members. I talked with DeCamp just a second ago and he said this is going to have the affect of raising the interest rate on those who borrow \$50,000 or more. Just for your benefit and for the people that are listening and if every Senator will listen. The one thing that has added