

March 28, 1974

little boy that is sick, that you are going to avoid giving him any aspirin or medicine because that's going to hurt him. Instead you are going to protect this boy, you like him and he's sick and you feel sorry for him, and you are not going to give him those nasty medicine. Well, the medicine to our economy in Nebraska right now is to have money available for construction, for individuals to buy houses, and for all the other things that people borrow money for. And the simple terrible facts of life are that this country has an inflation spiral now that is completely out of hand, and people are not going to find...or give you their money if they are going to lose money doing it. And so all this bill seeks to do at this point, because I have lowered the 10 to 9, is to try to solve one little problem. And that is to allow those individuals who are buying the \$50,000 and up property, or constructing it for development purposes to be able to enter into negotiations to obtain the money necessary. The suggestion was made that somebody going into a savings and loan to obtain money \$50,000 or more is going to be like on their knees begging at whatever rate at whatever rate offering them at any rate they want to get this money. Well, that simply is not true, because somebody that is going to be entrusted with \$50,000 or more from a savings and loan is going to have at least a reasonable amount of intelligence before they even start a project and before any savings and loan is going to give them any money. As I say the only thing left in this bill at this point, with the amendments that I proposed, and those that have been adopted is the mere thing to allow an individual to the same rights as a corporation. And the reason for this is because now we use a sham to do it. We have corporations created for the specific purpose of borrowing. And an individual put in the position of guaranteeing it personally. This results in the individual actually paying higher interest rates an ultimately than he would if he were able to borrow the money directly. I think the 10% is an absolute necessity. I think it won't pass, and that is why I stripped it from my amendment. But when you...if you kill the bill you are eliminating even this one little solution to some of our money problems in the state. I want to repeat that those people who got up and talked about all the hurt to the poor people raising interest rates, are those people who have some...or so much money that they don't ever need to worry about what interest rates are except that they would like to see them at 5% where they are the only people that could borrow any money. If you want to kill the bill. Be my guest. But remember you are not hurting anybody, except all the people who want to build homes. All the people that want to help develop this state. That's who you are hurting. I realize this is a good one to hop on and have a little jostling back and forth between candidates who are running for one office or another. A good chance to jive at the Governor's office. The Governor, I haven't even discussed the bill with him. All I know is the situation what was explained to him about the need for a reasonable interest rate to keep money in this state. And as I understand it, from hearsay from reliable sources the Governor recognized this need. I so move for the adoption of the amendment, and I think I've argued the bill as much as I can at this point.

PRESIDENT: Senator Carpenter.