

start from scratch. LB 390 is a bill introduced by Senator Duis. The committee amendments, I repeat, the committee amendments which we are now about to vote on completely gut the bill, completely, and they address financing in general. In other words, mortgages, house mortgages, bank loans, I go in and I borrow \$10,000, no security, just on my signature, they apply to those. They do not apply to installment loans of course. They are a separate category but it is the broad spectrum of financing in the state. This was brought about using this bill and gutting it because we decided this would be the most expedient way to handle two major problems that arose. The two major problems once again, discovery that S & Ls aren't under the usury laws of the state and, number two, the rising costs of buying money because of inflation, because of government pressures, this kind of thing. The prime rate at which the most qualified borrowers can borrow money, was higher than our usury rate so we felt that this problem had to be addressed. In other words, raising the usury rates, unfortunately, so that Nebraskans would be able to get money from the banks and be able to get money from the S & Ls to continue our home building programs and this kind of thing. So, the amendments gut the bill but they do two practical things, raising the interest or usury rates up to 12½%, bringing the S & Ls under the bill and, of course, with Senator Burrows' amendment which is now in there as part of the committee amendments, they put a sunshine date of what, August 31, 1981...sunset. It is my understanding that Senator Pirsch is going to put the emergency clause on it. I am sure the reason for that would be so that this could be implemented prior to most of the farm financing that is going to be needed and the building season that will be coming upon us. I urge you to adopt the amendments.

PRESIDENT: The question before the House is the adoption of the committee amendments to LB 390. All those in favor vote aye, opposed nay. Record the vote.

CLERK: 33 ayes, 1 nay on adoption of the amended committee amendments, Mr. President.

PRESIDENT: Motion carries. The committee amendments are adopted. Now, a motion on the desk.

CLERK: Mr. President, Senator Pirsch moves to add the emergency clause to the bill.

PRESIDENT: The Chair recognizes Senator Pirsch.