

March 5, 1980

LB 279

At the present time it is six percent, this would go to twelve percent. In other words, that is a hundred percent increase. Section 3, interest on decrees and judgments is raised from eight percent to twelve percent. Unsettled accounts, interest rate is raised from six percent to twelve percent and that is after one month instead of the present six months. This is an extremely important and significant piece of the law because I think you are going to find that it is my contention, I think I can back this up, that multitudes of people are violating the law now and those are generally a businessman who doesn't even know it. Unsettled account would be like I go to the local grocery store or grain dealer, I have a charge account there or I get some goods, don't even have to have a charge account, I get some goods and they say they will send me a bill. So I buy five hundred pounds of hog feed. I buy five hundred pounds of hog feed. I get a bill on it thirty days later, or I went to the doctor's office, whatever. My bill came to me and I didn't pay it on time. At the present time the practice is, and you all know what I am talking about next, at the bottom of your little statement it says one and a half percent per month or one percent charged on the unpaid balance and it just keeps mounting up. That is probably illegal. Not probably, it is. This sets up a system so that on those kind of accounts, unsettled accounts, that you could start charging after thirty days and the amount would be up to twelve percent. Now there may be some amendments that need to be done there. Somebody brought up a point about last item charged, I think that might need to be corrected. Severability clause. We put the severability clause on like any bill in case there is a part that is unconstitutional which I can't imagine. The rest of the bill would hold. We put a repealer clause of existing laws and finally the emergency clause. I move adoption of the committee amendments, and as I say, I do understand that there are some other amendments.

SPEAKER MARVEL: The motion is the adoption of the committee amendments to LB 279. Okay, there are two amendments on the Clerk's desk.

CLERK: Mr. President, Senator Fitzgerald moves to amend the committee amendments. Read Fitzgerald amendment offered on page 1002 of the Legislative Journal.

SENATOR FITZGERALD: Mr. Speaker and members.

SPEAKER MARVEL: Senator Fitzgerald.