

March 5, 1980

LB 279

SENATOR FITZGERALD: Mr. Speaker and members, I sit in the Banking Committee and we had a great bill down there that was going to solve all the banking problems in the State of Nebraska for this year. It was LB 899. It had everything in it, credit cards, usury rates, you name it, it had it in it. So in the wisdom of the committee, we said we are going to make separate bills and the usury rate and credit cards and so on and so forth. So we get down to 279. This is an interest bill on decrees, judgments, and unsettled accounts rates. Now they have got a little thing in here that I don't like. I think it should be a separate bill to the effect that says any heavy contractors that is not paid in sixty days will be charged...the state will have to pay them twelve percent interest. I was with the understanding down in the committee we was going to put all these interest bills separate and I think this here bill should be separate because I do not think that we should make legislation for private industry and us pay twelve percent interest after sixty days. So this is what my amendment does and I would like to strike Section 1 out of the bill.

SPEAKER MARVEL: Senator Cope.

SENATOR COPE: Mr. President, members, a question of Senator Fitzgerald. Senator Fitzgerald, why shouldn't the state pay their bills on time just like an individual?

SENATOR FITZGERALD: After sixty days, I have another amendment up there that anybody that is not paid by the state in sixty days will draw twelve percent interest. This is not a big issue what I am getting at.

SENATOR COPE: In other words, you....

SENATOR FITZGERALD: What I am getting at, we are making special legislation for people. There is a hundred million dollars worth of contracts left out by the Department of Roads and with forty-one thousand dollars paid interest out of a million dollars. This here, I would say seven, eight percent. What I am getting at this should be, in other words, I have an amendment up there, the second amendment says anybody that is not paid by the state in sixty days will receive twelve percent interest just like the heavy contractors.

SENATOR COPE: Isn't that what we are...isn't that what the section says here?