

March 10, 1980

LB 276

SPEAKER MARVEL: The Chair recognizes Senator Newell.

SENATOR NEWELL: I was looking up 276. I had forgotten what 276 is today as opposed to what 276 used to be. This is obviously a Banking, Commerce and Insurance Committee bill and one that I think, as I recall from the last time, deals with interest rates. 276, my amendment to 276 which I did have a tough time recalling is an amendment to reinstate at least a portion of the amount that we covered under the usury rate. As you know, this bill as presently constituted no longer covers the first \$100,000 of exemptions. Instead what we have presently is a \$25,000 ceiling on what the usury rate applies to. Now I think that that is an inadequate amount and I supported Senator Johnson's move to raise it to \$100,000 because I felt that we ought to leave this whole issue at \$100,000 and after that failed the \$50,000 was another attempt at a compromise of trying to leave some sort of dollar amount in there that I thought would be reasonable. One of my great concerns in this whole area is simply this, that \$25,000 in this day and age and with inflation being as rampant as it is, before very long we will have this bill, if it doesn't already, if you don't recognize it already, it only covers small loans, it will more clearly cover ever so small loans in the future, that the \$25,000 limit is very small and that we really ought to raise that back to the \$100,000 figure. We haven't had the votes in the past and so therefore, I am offering the \$50,000 figure as a compromise. I think it is fair. I think it is reasonable. If we are not going to at least keep some reasonable figure on this, then what we ought to do is be very honest with the public, the people of the State of Nebraska, and just plain exempt the usury, just plain do away with the usury rate completely instead of having it for ever so small of loans. With that in mind, I would urge the body to support this attempt at a compromise to try to reach the \$50,000 figure and I hope that the body sees fit to adopt this amendment. Mr. President, could you read the amendment one more time. I need to get a little better clarification myself.

CLERK: (Reread Newell amendment found on page 1089 of the Journal.) What part do you need read again, Senator? "By striking the new material in lines 9 and 10, in page 5."

SPEAKER MARVEL: Okay, the motion before the House is the Newell amendment to LB 276. Is there any further discussion? Senator DeCamp.

SENATOR DeCAMP: Mr. President, members of the Legislature,