

March 10, 1980

LB 276

SPEAKER MARVEL: The motion is carried. The amendment is adopted.

CLERK: Mr. President, the next amendment is by Senator Burrows. It reads as follows: (Read Burrows amendment as found on page 1091 of the Journal.)

SENATOR BURROWS: Mr. Chairman, this amendment strikes new language. The rest is just punctuation of the three sections, subsection 7, 8 and 9.

SPEAKER MARVEL: Senator Burrows, are you passing out copies of the amendment?

SENATOR BURROWS: Copies of this, I believe are passed out, were a few minutes ago to this amendment and on the top it would have a number one by it. The same request number was written on two amendments. It is not in the Journal. I didn't get them back until this morning but they are on everyone's desk and I think...

SPEAKER MARVEL: Is this first one request number 2153?

SENATOR BURROWS: Yes, and the copies would have a number one on those that were passed out, a one at the top, for one of two amendments that were about the same size. It strikes these new subsections introduced in the bill and I don't believe that reasonable arguments were presented for these special exemptions. One makes a ten dollar minimum service charge which could well be ten dollars on money used for a week or two which might be a thousand or two thousand percent interest. I just don't believe these were justified in making these significant changes in law and I request the body strike these additional subsections of exemptions. I feel that this bill as a total package are general changes of usury rate are so vast within the total context of this bill that substantially we are eliminating the usury principle in law in the State of Nebraska by passing this without some substantial amendments. We are bringing that down to \$25,000, a higher amendment was stricken so the people under \$25,000 will probably go under the small loan act if there is any exception and over \$25,000 loans have no usury rate in the state when this bill is passed and I think we are really misleading the public by substantially, through all the parcels of this bill, striking the usury rate out as a concept of law in this state. The problem we are facing with is one of national credit policy, the federal reserve system and the big city banks going with the federal rediscount rates up and the prime interest rates. The construction industry is in trouble and it is going to be in trouble with or without