

February 9, 1982

LB 623

CLERK: Mr. President, the next motion I have is a motion to indefinitely postpone offered by Senator Burrows.

SENATOR NICHOL: Is Senator Burrows in the Chamber? Senator Burrows, we are on your kill motion on LB 623.

SENATOR BURROWS: Mr. Chairman and members of the body, I move to indefinitely postpone LB 623. This bill in its present form is going to take the usury rates off all agriculture and home loans. I think the situation in rural America and in the cities both with the high interest rates already shutting off the homebuilding industry and a situation where in agriculture we have more people worried about having an income at the end of the year than income tax, that to push the interest lid off at this time and completely eliminate the usury rate would be one of the most deplorable moves this Legislature could make. Yesterday down in Revenue from a banking organization the argument was presented that if a surtax was placed on intangible income that this would reflect in higher interest rates. Now this creates a direct conflict, this argument is in direct conflict by the bankers that they are competitive. If they are competitive, they could not push on a tax increase on their income tax or intangible income surtax, and on this bill the arguments will be presented, the competition will rule that interest rates will be held in line. I think the banking organization should be held accountable on this direct conflict of interest. If they can absorb and push on in interest cost they are not competitive and they argued this yesterday in the Revenue hearing, and today I am sure you will hear the arguments that competitive forces will prevail and that they will not force higher interest rates if relieved of all interest ceilings. Thank you.

SENATOR NICHOL: Senator DeCamp.

SENATOR DeCAMP: Well, Mr. President, we are on Senator Burrows' kill motion? Senator Burrows, did you get a chance to talk to Senator Landis or go over the amendments we have come up with in the various things we have talked about? I know you were out of the room. Did you get a chance to do any of that?

SENATOR BURROWS: I did go over the amendments. Are they adopted now?

SENATOR DeCAMP: No, no, we haven't even gotten to them