

of which are 24% or lower. There are also provisions for a late fee, for a bad check fee and for points or origination payments of either up to 7% or \$500 whichever is less on a loan. I can tell you that having discussed this over the summer and with the representatives of the small loan industry, I support the amendments and, therefore, support the bill and I move their adoption at this time.

SENATOR NICHOL: Senator Hefner, did you wish to speak to the amendment?

SENATOR HEFNER: On the bill.

SENATOR NICHOL: The question is, shall we adopt the committee amendments. All those in favor vote aye, opposed nay.

CLERK: Senator Nichol voting yes.

SENATOR NICHOL: Have you all voted? Record, Mr. Clerk.

CLERK: 26 ayes, 0 nays, Mr. President, on adoption of committee amendments.

SENATOR NICHOL: The committee amendments are adopted. Senator Clark.

SENATOR CLARK: Thank you, Mr. President and members, this bill was brought to me by the small loan people and what is happening at the present time, I happen to be in the retail business. They are not now financing anything over a thousand dollars at the present time. The reason is that they lost \$2 million last year in the small loan business. As Senator Landis has told you we've lost between fifty and sixty of the small loan companies at the present time. I know that Beneficial Finance has six licenses right now. The Department of Banking is being held in abeyance waiting for this particular bill. If this bill does not go through, of course those licenses will be given up. All of the rest in the state will close up and you will have absolutely no availability of credit for those people that need the credit. Now I have been castigated for putting in a bill that would allow 23% interest. Let me assure you that I do not advocate anyone paying 23% interest for anything but for those people that need that avenue of credit that cannot get it from any other source, they should be allowed to have that credit for things they basically need. Otherwise, what do they do? They go to a small loan shark that may charge them 50 or 60% interest and never get out of debt, never, but that would be their only alternative if they do not go to a small loan company. I think you would have to know that small loan companies do not have