

January 19, 1982

SENATOR CLARK: The motion lost. The next amendment is amendment number two of Senator Vickers to Section one. He wants to read a few things in first.

CLERK: Mr. President, very quickly, new bills: (Read by title for the first time, LBs 895-914 as found on pages 343-347 of the Legislative Journal.)

Mr. President, I have a hearing notice from the Public Works Committee for January 29, February 10, 11 and 17. That is signed by Senator Kremer as Chair.

Mr. President, Retirement sets hearings for Wednesday, January 7 and Revenue sets hearings for January 25, 26 and 27, signed by the respective chairmen.

I have a reference report referring LBs 848 through 880.

Mr. President, your committee on Enrollment and Review reports that 511 be reported to Select File with amendments, 192 Select File with amendments, 231 Select File with amendments, 454 Select File, 304 Select File, 69 Select File with amendments, 139 Select File, 139A Select File, 305 Select File, 239 Select File with amendments, 410 Select File with amendments, 278 Select File with amendments, 126 Select File with amendments, all signed by Senator Kilgarin.

SENATOR CLARK: We are now ready for the second Vickers amendment to Section one.

CLERK: Mr. President, the amendment reads as follows: On page 2, line 13, strike the word "life" and insert "safe yield."

SENATOR CLARK: Senator Vickers.

SENATOR VICKERS: Mr. President, since that is more of a technical one there the following amendment on Section two would be more applicable to take up and I think the Clerk has other amendments on Section one so if you would want to skip over this and go to the other amendments that are on Section one, that would be fine with me. You have other amendments and I think Senator Beutler and some other people might have amendments on Section one if you want to go ahead and take those up at this time.

CLERK: So are you withdrawing. . .you don't want this one then, Senator?

SENATOR VICKERS: That one is more of a technical one. It

March 1, 1982

LB 577, 580, 627, 671,
680, 702, 803, 905.

CLERK: Mr. President, your Committee on Constitutional Revision and Recreation whose Chairman is Senator Labedz reports LB 577 advanced to General File, 671 General File, 803 General File, 580 indefinitely postponed, 627 indefinitely postponed, 680 indefinitely postponed and 905 indefinitely postponed, all signed by Senator Labedz.

Mr. President, with respect to 702 I have E & R amendments to the bill.

SPEAKER MARVEL: All those in favor of that motion say aye. Opposed no. The motion is carried, the E & R amendments are adopted.

CLERK: Mr. President, Senator Newell would now move to amend the bill and the amendment is on page 879 of the Legislative Journal.

SPEAKER MARVEL: Okay, Senator Newell.

SENATOR NEWELL: Yes. Mr. President and members of the body, when this bill was up on General File, I rose to speak against the kill motion and later voted against the advancement of the bill. One of my concerns at that time was that the way the interest rate was set up that there would be a tremendous incentive, an incentive to loan money to individuals under the provisions of this act to a higher extent than they may need or even request because there were certain incentives built in because of the point situation that it was more profitable to those who would loan the money if they loaned up to \$6000 or at least above the \$3000 provision. Presently the bill stands at a total finance charge of points being offered of up to \$500 in costs and 7 points. Now I talked to Senator Clark and Senator Clark and I discussed and basically came up with a proposal and this proposal is to make that a point situation to require it to be no more than 7 percent on the first \$2000 and 5 percent, 5 points on the remainder and leaving the total of \$500 in the provisions. Now I talked to the small loan industry and they agreed and basically that is what this bill does, except...this amendment does, except for the fact that it clarifies internal references which authorize or makes clear that small loan companies may charge the normal usury rate. In other words, they don't have to use this provision of the law, they can, in fact, charge lesser interest which is what I would hope they would do, but this allows them to have that free...that freedom to use the smaller interest or the provisions of the bill as it is presently being drawn with this amendment, which means that no more