

April 17, 1975

The bill is going to remain at 12 percent because where the carcass is, there will the buzzards be gathered together. That's from Jobe.

PRESIDENT: Senator Koch. Senator DeCamp.

SENATOR DeCAMP: Listen my children and you shall hear another fear in this particular bill. Senator Lewis I have a question.

SENATOR F. LEWIS: Let's roll it.

PRESIDENT: Now we're talking about Senator Goodrich's amendment to Senator Maresh's . . .

SENATOR DeCAMP: We're talking about Senator Goodrich's amendment. We're talking about a point he brought up in discussing that.

PRESIDENT: Points? We're talking about Senator Goodrich substitute 11 for 10 1/2.

SENATOR DeCAMP: Right, involved in the interest. OK.

SENATOR F. LEWIS: Which camera are we using?

SENATOR DeCAMP: What was that now? Ah, yes. There we go. Senator Lewis, the illusion has been given here in the last few minutes that your bill is going to eliminate points. Is that correct, and is that what you personally have been lead to believe?

SENATOR F. LEWIS: With the exception of the excluded mortgages, of course, VA and FHA.

SENATOR DeCAMP: And that is what you believe?

SENATOR F. LEWIS: That's what I understand.

SENATOR DeCAMP: Now I'm going to explain to you something that you can even figure out by reading the bill. Senator Lewis, they are not eliminating points, that isn't the intent at all. The intent is to legitimize points and call them interest, spread them over the life of the loan. Collect the whole money in advance and say this is all legal and honest now. Points will not be eliminated . . .

PRESIDENT: Senator DeCamp, you're talking about the bill again. We must confine our remarks to Senator Goodrich's "11" as opposed to "10 1/2".

SENATOR DeCAMP: I am saying the reason they need the 11 or 12 is to legitimize the point system. The point system is not intended to be eliminated. It's only going to be included and spread in this 12 percent now, but charged in advance. Do you understand that now, Senator Lewis? Does that . . .

PRESIDENT: Can you answer yes or now that you understand?

SENATOR F. LEWIS: I understand exactly what the bill says. I appreciate Senator . . .