

14 percent on that unpaid assessment. If you owe property taxes to the City of Omaha and you are three months late in paying those, you owe 14 percent on those delinquent property taxes. And the whole purpose of LB 167 was to set up a 14 percent rate in Section 1 of that bill which has been codified now as Section 45-104.01 and have that one section of 14 percent run through 50 or 55 different sections in the Nebraska statutes. Now that also applies to the postjudgment interest rate. If Senator Haberman sues me and gets a \$20,000 verdict, why I have got to pay, once that judgment is entered, I have got to pay 14 percent to Senator Haberman. Now if in today's economy 14 percent is too high, if it ought to be 12 percent or 10 percent, then let's lower it to 12 percent or 10 percent, not just for the postjudgment interest rate but for delinquent taxes as well. Let's ask the City of Omaha to stand up here and treat everybody the same. If they think the interest rate is too high for the city to pay on judgments, let's tell the city to come in here and bring a bill in to lower the interest rate on delinquent taxes. That is what they are now doing. They are asking for one-half of the pie and not only that, they are attaching it to a completely different bill, a prejudgment interest bill. Again, it is the old story, late in the session we see a bill languishing on General File so we try to attach it to another bill. That is what is going on here. Now one final point that is very important for you to recognize.

SPEAKER NICHOL: One minute.

SENATOR HOAGLAND: Large institutions like the City of Omaha and like insurance companies can get 10 or 12 or 14 percent on their money and if Senator Cal Carsten gets a quarter of a million dollar judgment against the City of Omaha or a quarter of a million dollars against a large insurance company, and the interest rate on that judgment is only 8.5 percent, they can make more money by not paying the judgment than by paying it because they can get 10, or 12, or 14 percent on their money. So just like delinquent taxes, the interest rate has got to be high enough for there to be a bite, for them to encourage people to pay their lawful debts. And as soon as you bring that interest rate down to 8.5 percent, the floating T-bill rate, why then they are not going to be encouraged economically to pay their lawful debts because the interest rate is too low.