

January 31, 1979

LB 84

reinstate the 11% portion of this bill.

PRESIDENT: The Chair recognizes Senator DeCamp.

SENATOR DeCAMP: Mr. President and members of the Legislature, I strongly oppose Senator Dworak's amendment. Let's just talk about these interest rates and what interest is supposed to be a reflection of. One of the key elements of interest is it reflects risk. You go to a bank and you buy or you borrow money and they get a first mortgage on solid land, maybe get the best rate. You buy a car, it is a little more. You have to have an open note. Maybe it is a little more. It reflects risk. Now what is the risk for the county and the city in these things? The risk is something below zero. It takes priority over everything else ultimately. You can't even sell that land unless you pay the taxes and the interest. Even judgments against it follow or come behind this. So it is guaranteed absolute money. As Senator Johnson correctly pointed out, generally speaking, if those taxes aren't paid right on time, it is because somebody just doesn't have the bread to do it, and if you followed property taxes, you know right now they are about confiscatory in a lot of cases and in a lot of places in this state. So let's not add to that and just literally take away the property of people in this state by getting this interest rate when they are a little late plus the advertising and all that stuff to where it is just ludicrous and ridiculous. You know at some point, at some point, we become literally property mongers, thieves, and this is the kind of amendment that makes you become a property thief, a legislator who just says, gol darn, we will get one more bite out of their hide. So I urge you to overwhelmingly reject this amendment and show that we do have a little sense and aren't about to destroy the property tax base. I might just point out that even judgments, judgments, court judgments in this state that don't have as high a priority in collection as these taxes, they are only 8%. So let's just be a little cautious in how high we run these interest rates up.

PRESIDENT: Senator Dworak, did you want to speak again? Your light is still on.

SENATOR DWORAK: To close. I just want to close.

PRESIDENT: Isn't the motion the committee amendment?

SENATOR DWORAK: Then I will speak, Mr. President.