

a loan in excess of one hundred thousand dollars, the general usury statutes do not apply to it. That is existing Nebraska law. What the Banking, Commerce and Insurance Committee has done is it has lowered, it has lowered that ceiling from one hundred thousand to twenty-five thousand dollars. Let me tell you who is going to be hurt by that kind of a change. The home purchaser. When somebody goes out to buy a home, unless that home is to be sold for less than twenty-five thousand dollars and the mortgage is to be less than twenty-five thousand dollars, that transaction will not be covered by the general usury statute. Today, as I read the newspaper, actually I read it this weekend, the going mortgage home loan rate in Omaha is fourteen percent. Now I don't have any way of knowing what the future is going to bring in interest. I don't know what is going to happen but it could well be that within the next half a year the going home loan rate will be sixteen percent or seventeen percent or eighteen percent. Now, personally, when that much money is being extracted from the ordinary home borrower month in and month out, I think we have gone too far. So I am preparing through this amendment to say simply, look, sixteen percent is enough. You can't go any further than that but the only way I can allow that to happen is to leave the hundred thousand dollar figure alone. If I accept the committee amendment and go down to the twenty-five thousand dollar figure, if we accept the committee amendment and do that, we, in effect, have literally written out of our usury statutes all home loans because there just aren't very many home loans these days for less than twenty-five thousand dollars. Now I think that is a bad thing for us to do. I think we need to put a ceiling in effect on how much money can be extracted from the borrower on the home loan. Now sixteen percent to me seems to be a reasonable figure in these inflationary times. I don't think I could go any higher than that. So I would recommend to you that you adopt the amendment so that you return the usury statute to where it presently is. Let me make one more point. I have been trying to figure out in my own mind how the committee came up with the twenty-five thousand dollar figure and I finally have concluded that they came up with that figure because that has tended to be the benchmark for consumer loans in a variety of consumer protection legislation. Earlier this morning I passed out to you photocopies of some material from the Uniform Consumer Credit Code. Now that particular code used twenty-five thousand dollars as a figure in 1974 as the benchmark of the traditional consumer loan that required