

cattle feeder today at six percent and so I doubt that that is going to happen. I know that we like to operate under the illusion that we can mandate certain activities in the marketplace but most attempts by government to interfere in the marketplace have failed miserably and have only caused more problems than they resolve. I know that the time will come when the cost of money will be above the levels which Senator Johnson is talking about in this area and I am afraid that if we were to set the level at even sixteen percent on loans up to a hundred thousand that we may well be back in this room before the summer is over because of a crisis in the housing industry and that we would have to act to meet that problem. I don't think we should aggravate the problem by adopting the Johnson amendment. I hope that you will defeat the Johnson amendment and consider seriously the amendment which I will offer which will remove the sixteen percent...

SENATOR CLARK PRESIDING

SENATOR CLARK: You have one minute, Senator Schmit.

SENATOR SCHMIT: ...on the amount of money that can be borrowed between one thousand and twenty-five thousand dollars and allow the market system to work. I oppose the Johnson amendment and ask that it be defeated.

SENATOR CLARK: Senator Keyes. Senator DeCamp.

SENATOR DeCAMP: Mr. President, I think this represents about fifty or sixty percent of the entire usury law changes. It is probably either the first or second most important part so I don't want anybody to be fooled as to what it does. By going from a hundred thousand to twenty-five thousand as our committee...as the committee amendments propose, we are basically taking away any usury limitations, any controls, over all housing, almost all construction. Senator Johnson is perfectly right on that, completely right. Question. Is that intended? Answer. Yes, that was the decision that was reached that above twenty-five thousand, and particularly in housing that has to be a market that keeps going, that if we have this eighteen and twenty and twenty-one percent inflation and somebody wants to buy a house, they are in a position to do it. I urge you to reject his amendments but reject them with the full understanding of what you are doing. You are eliminating usury rates above twenty-five thousand dollars. That is the net effect. I believe that is a proper approach in these times. I also believe that inflation is going to get much worse, that this country is just beginning to enter the problems it is going to