

March 10, 1980

LB 276

have been justified before the Legislature within this usury bill. I think it is a part of the total package that is a total effort to really strike all usury rates. I move the amendment.

SPEAKER MARVEL: The motion is the adoption of the Burrows amendment number one. All those in favor vote aye, opposed vote no. Senator Burrows. Okay, record the vote.

CLERK: 10 ayes, 16 nays, Mr. President.

SPEAKER MARVEL: Okay, the motion is lost. Now do you want to take up the second Burrows amendment?

CLERK: Yes, sir. Mr. President, Senator Burrows moves to amend: (Read Burrows amendment found on page 1091 of the Journal.)

SPEAKER MARVEL: Senator Burrows.

SENATOR BURROWS: This amendment, Mr. Speaker, is the number two that was passed out, the sheet with the number two at the top of the sheet and if you will refer in your white copy to page 13, the new language refers to an allowance of charging closing costs. Now this would go in excess of the usury rate and is another thing that I think has not been discussed that is within this bill. It allows reasonable charges which have previously been part of the interest bill been covered by the loan and allows these to be tacked on in a form of a fixed charge on top of the interest charge. It is an exemption to the usury rate on top of the interest charge and placing those costs that have been normal costs of doing business for that lender as additional cost to what is included in the usury rate. I think when we are raising this usury rate that it is very foolish at the same time to add these additional costs to the lender because we are at a point where we are closing down the construction industry by rate of interest, where agriculture is going into one of the tightest situations probably in the last fifty years and blowing the interest ceilings out of the window. I would ask the body to look at this amendment and eliminate this new language that allows for these charges on top of the usury rate. Thank you.

SPEAKER MARVEL: Senator Kelly, do you want to speak to the Burrows amendment?

SENATOR KELLY: He was closing. Wasn't he?

SPEAKER MARVEL: He was opening.