

the loan in most cases, and so they are going to be guessing on what happens when the balloon payment comes due ten or fifteen years down the line, and maybe we will turn out all right under that sort of system, I am not sure, but it could be it would cause a lot of people a lot of problems and the system a lot of problems and I guess I just have a financially conservative feeling in this regard and believe that the system of equal or declining payments is a much stabler system than allowing a widespread use of balloon payment type credit. So I would ask you to delete from the committee amendments that provision which allows for balloon payments. Thank you.

SPEAKER MARVEL: We are speaking to the Beutler amendments to the bill. Senator DeCamp, do you wish to be recognized?

SENATOR DeCAMP: Mr. President, I oppose the amendment to the amendment or oppose the amendment to the committee amendments. I believe the flexibility given is important to the banker and maybe even more important to the person wanting to borrow the money, and arguably, and I agree, there is the possibility that a venture, a loan that a person felt he could not or would not want to go into under one circumstance, he might well want to do under a balloon payment system. Almost all of your land contract sales which you farmers are familiar with that are occurring in the area of selling farms and selling real estate, almost everyone of them anymore, has the system of a balloon payment. It allows flexibility to do as follows: Number one, maybe the person intends to remarket the property or refinance under better conditions when interest rates are lower, they hope. Now they may or may not go lower, interest rates, but at least it gives that person the flexibility to say, "Look, I am willing to pay my high interest now but I want to have that flexibility to refinance and hope that I get a better deal." It may get a worse deal. Heck, interest rates may go up. But as I say, it gives the flexibility. It is going to make available some financing that would not be available otherwise and I believe it should be allowed to the individual the same privileges that basically you would be able to get from a business or industrial or a loan like that. So I would urge that you reject the amendment and accept the committee amendments. I might add that Senator Beutler's amendment, just for the heck of it, isn't involved in the committee amendments. That is in the original bill so you are amending the wrong thing and I thought it was only fair to tell you this in advance.

SPEAKER MARVEL: Senator Hefner.

SENATOR HEFNER: Mr. President, members of the body, I rise