

SENATOR HEFNER: Mr. President, members of the body, I will try to explain the bill a little more thoroughly now. I think Senator DeCamp got into it when he was explaining the amendment but this bill, LB 214, would amend the personal loan definition contained in our Banking Act. The provision of current law defines a personal loan as being repayable in two or more equal or declining installments within 121 months. This bill amends this definition so that the personal loan would mean a loan repayable in two or more equal or unequal installments payable within 145 months instead of the 121 months. Also this bill would add to the same section that the personal loan definition shall include loans for mobile homes even if they are not payable in the 145 months. This change as provided in this bill is intended to make these contracts more marketable and to provide clearer bank authority for their purposes. In other words, we would be helping the person out that would want to buy a mobile home. And, of course, with the amendment that we just approved, we would include the industrial loans, and so now we have the industrial loans, personal loans, and the small loans all on the same basis. And a personal loan, just let me define it one more time. A personal loan is a loan that is not a commercial loan or not an agricultural loan. I, therefore, move LB 214 to E & R Initial.

SPEAKER MARVEL: Senator Fowler.

SENATOR FOWLER: A couple of questions of Senator Hefner. I guess I have some of the same questions perhaps Senator Higgins does and that is why exactly the mobile home section in this bill? Currently, if I was to purchase a mobile home and wanted to get a loan, what type of loan would I have to get? What would be the interest rate that would be charged on that loan? And what would be the maximum period of payment on that loan? And then how would this bill, how would it differ if I went and got a personal loan for a mobile home?

SENATOR HEFNER: Okay, Senator Fowler, the way I understand this bill or my intent is that if you got a personal loan to buy a mobile home, then you could go...at the present time it is 121 months, this would extend it to 145 months, or if a lending agency would want to go longer with you, they certainly could. Also you would be able to have a balloon payment at the end of the period.

SENATOR FOWLER: Are you saying under current law that you could get a personal loan for a mobile home?

SENATOR HEFNER: If you got a personal loan for a mobile home,