

may, in fact, be what would be a nice interest rate for those people that are hard pressed to pay, but it is not reasonable, it is not fair considering our present economic condition. I have never favored high interest rates as my politics are a little different than that, but the fact remains that we have high interest rates and 15 percent is a reasonable compromise. This bill is an important bill. The overall concept of uniformity is a significant and beneficial concept, and 15 percent is what the committee, after great deliberation, realized it must be in order to get this concept through. I oppose the 12 percent. It is arbitrarily low and while it would be nice, I think we can ill afford it at this time. Thank you.

SENATOR CLARK: Senator Burrows, do you wish to close?

SENATOR BURROWS: Yes, Mr. Chairman and members of the body, I don't think it was adequately discussed at all because this incorporates income tax penalty or interest and you don't get back 15 percent if you have overpaid in a disputed claim. It doesn't go both ways. It is retroactive. When we put on the 16 percent last year it was retroactive last year and used retroactively on property tax payments, and this is framed the same way, it is retroactive. No subdivision testified that it would cost them more than 12. The testimony centered generally from 9 to 11 1/2 percent that a subdivision would have to pay for interest if there was a delinquent tax payment. Twelve percent covers that, more than covers it. No subdivision testified that they could not get the money if a delinquency came in, if there was any problem whatsoever in getting the money coming in. We have a lot of things and there will be many other amendments on this bill come across that were not adequately discussed and the 12 percent does not solve them all. Assessments on paving assessments, the bill applies to them at the point not of delinquency. We are asking in the bill for 15 percent interest from due date not from delinquency. You are not talking about penalty there. You are talking about a basic interest charge where the subdivision has the option of borrowing the money at 12 percent or less, even under the current interest rates, because they get tax exempt money when they borrow it and they are not losing money. In fact, when they can borrow at 11 1/2 and they are getting 15, they are making 4 1/2 percent on that and they don't need to make that kind of profit. The word profiteering was introduced by the proponents of the bill, and there is one point I urge you to think about in this Legislature. When the