

that, Senator Higgins, if you assume one of these loans or if you let someone else assume your loan, I wanted to be sure that you remember that you are still liable on that loan even though I assume it from you, if I fail, you are still on the hook, even though I dispose of the merchandise they can come back for a default judgement against you. So the usual procedure and the safe procedure is you just go into the bank with me and make sure that I execute a new note or a new loan and take over yours, letting you off the hook as far as liability is concerned. However, that is not included in this legislation now. That is already in the statutes. There is another point that is already in the statutes though and that is also the other point you mentioned is prepayment. Yes, prepayment is provided already in the statute. You can prepay already any loan that you have got on the books. The final point though that I wanted to make on the floor here deals with a point that Senator Johnson was making and that is, what if, for example, the lender makes a loan with a balloon for example, on a mobile home with the balloon at the end of the hundred and twenty-one months? Well, first of all, regardless of what you put on paper as far as the statute is concerned the value of the security which is the mobile home itself is going to determine when the balloon is provided, whether it is provided and to what extent it is provided. It is the value of the mobile home at the end of twenty-one months will restrict what will be allowed by the lender in the form of a balloon payment. So it is not what we are putting on the books here as far as allowing balloons. It is the value of the merchandise being bought. That sets the true value or the true regulation of how much balloon payment, when it is allowed and for how much, that sort of thing. I just think we are confusing, for example, the fact that just because we put it on paper here that that is going to be the regulator of what loans and what form of loans are made when it isn't. It is the value of the merchandise and the credit of the individual. That is what is going to make the determination.

SPEAKER MARVEL PRESIDING

SPEAKER MARVEL: The Chair recognizes Senator Fowler to close on his amendment.

SENATOR FOWLER: Mr. President, I feel the need to clarify certain points as to what the amendment does and doesn't do. I do not touch the balloon payment concept. That is allowed to continue in the bill. So any sort of debate or discussion about the need for balloon payments you can disregard that because that is not touched. The other question was on