

written it and four of those banks are losing, quite frankly, on their credit card operations millions and millions of dollars. They have elected and basically are making the decisions right now to do the following: One, to sell their credit card operations to some other banks in another state, take their lumps, get rid of the credit card business and basically remove Nebraska banks from the credit card business; two, to close down the credit card operation; three, as U.S. National is planning to do to the best of my knowledge, actually move their operation out of the state into another state where they can set up. I think they are moving to Des Moines. What the legislation in its original form, well they have another choice quite frankly, and that is the choice I don't want them to make because that is the choice that will hurt Nebraskans and that is basically the reason for the bill and that choice is to say to heck with you, Nebraska. To heck with you, Nebraska, and your Nebraska laws. We are going to use a little loophole that First National of Omaha found and some other banks and we are going to use something called the most favored lender doctrine and they are going to tell you also, not only are we going to use it but we don't have to be scared now like First National and some of the others were because it was recently upheld by the federal courts as being a legal loophole. What is that legal loophole? That says, they then can go ahead, forget Nebraska law and charge 24% interest on those credit cards. I don't think we want that. We can have a better system. We can keep our credit card operations in Nebraska run by Nebraska banks and we can help the average cardholder, like Johnny, like Carol, to hold onto their credit cards under reasonable terms. Let me tell you what the bill in its original form did. In its original form the bill did this. It said, the bank that issues that credit card can make a charge for issuing it like they do on American Express, for example, of up to \$35 and the original bill said also that they could have a transaction charge. What is a transaction charge? That means when Bernice Labeledz takes her Visa, she goes into Brandeis, she charges \$10.50 worth of goods, the bank would automatically add on let's say ten or twenty or fifty cents or whatever for using the card on that occasion. Here is what the committee amendments do. They change the \$35 to \$24. That would be the maximum that could be charged. They eliminate the transaction charge completely. So, the committee amendments, if you adopt them, remove the transaction charge completely, contrary to the Lincoln Journal editorial, and they bring the charge that could be made for the card itself down to \$24 maximum. Now they might only charge \$8 or \$10 or \$12, whatever, but it would be a maximum of \$24. Why do this? Well, a couple of reasons. Let's use Bernice Labeledz, Johnny DeCamp and Howard Lamb as our examples and how this new proposal would work and why it is more