

fair to the general public. At the present time Howard Lamb has his credit card, his Visa or his MasterCard. Howard charges three, maybe four, maybe five hundred dollars a month goods on his credit card but unlike the rest of us, Howard is rich. Howard can immediately, every month, the last day available, he can pay his credit card expenses. He gets a bill for four hundred dollars on his credit card and even though he has used that credit for twenty, thirty days, whatever, before he finally got the bill, he pays it and he has no interest charge, no fees, no nothing. So the person, so to speak, the wealthier person, the one that really uses it strictly as a convenience card is getting his interest paid by Johnny and Bernice, because Johnny and Bernice, we charge and then we make our monthly payments. We don't have the money if we charge three or four hundred dollars, let's say, for our trip to Bermuda or whatever, we don't pay her all at once. We pay thirty dollars a month or whatever. But it still took interest, there is interest acquired or accrued because of Howard's charges and all the group like him. Howard is being financed by Bernice and Johnny. The rich, so to speak, are being financed by the average cardholder in the state who pays his monthly payments. How do you compensate for that? Well you can do what First National did. They said, fine, we are increasing our interest rate to 24% because we are losing money, using the federal law and the loophole and so Bernice and Johnny can keep paying even more interest now to help finance Howard or we can charge Howard \$24 a year for use of his card. We can charge Bernice \$24. We can charge Johnny \$24 and we can keep the interest rates overall lower, 18, 19, whatever we settle on finally. That is why the essence of the bill is really a fairness to all Nebraskans in terms of who pays the interest and it will keep our banks in the state who are in the credit card business and are providing this service, it will keep them in business in providing this service. So, initially I would urge you to adopt the committee amendments and then we can get into a little bit of discussion on some additional changes that we might try on Select File. I don't want to hide anything from you. I am going to tell you everything I am going to attempt on the bill now but if we adopt the committee amendments and then we will develop the next amendment which will be the E clause and the reasons for it. I really believe if you look at the whole picture rather than the immediate emotional issue of, hey, this is an increase. This is an increase in our credit cards. My people aren't going to like that. You look at the whole picture and you are going to say, yes, indeed, this is a different system for credit cards but it is a more fair system. It is a system that can continue to keep banks in the state operating. It is a system that will keep banks from saying, to heck with Nebraska laws, we are just going to go on our own under