

SENATOR KAHLE: Wouldn't it be more fair though to increase the cost to the dealer or the person selling the product and reduce the use of credit cards if that is where you wanted to save money instead of tacking a specific price on a credit card, a specific fee in order to obtain a credit card? The analogy that you used with the person that paid each month and the one that didn't, I guess kind of evades me. It looks to me like that part of it should be carried by the merchant if there is a loss. If you leave your credit run over a several month period I am not against the interest. I think you should pay interest but if you pay it within thirty days I think that part should be borne by the merchant if he wants your credit card business.

SPEAKER MARVEL: You have one minute.

SENATOR KAHLE: Well, I think I am through but that is a concern that I have and I wonder what it is going to do to the credit card business. I personally will probably cut mine up if I have to pay for it. Thank you.

SPEAKER MARVEL: We are speaking to the committee amendment. Senator Cope.

SENATOR COPE: Mr. President and members, a question of Senator DeCamp.

SPEAKER MARVEL: Senator DeCamp. Senator Cope has a question.

SENATOR COPE: Senator DeCamp, what about the interest rates now on the way the bill reads? Tell me exactly how this ties in if the bill is passed and I pay \$24 for the use of the card, what is the maximum and I mean maximum, not the loopholes.

SENATOR DeCAMP: Okay, if you stay under state law and go with the bill we pass and by that I mean if you as a bank do this with the existing proposal and existing law it is 18% and 12%. I intend to attempt, probably on Select File, to change that to like 18% or 19% across the board, state law. The reason I intend to do that is I believe that will keep all the banks, with the possible exception of the one that has already used the federal loophole, at the 18 or 19, whatever is settled on, rather than using the loophole and it is a loophole and going to 24%. They can go to 24% under the following theory. A national Supreme Court decision approximately one hundred years ago said that you couldn't discriminate so to speak against national banks with respect to state laws and state banks and, therefore,