

losing massively, the other four banks have deliberately refused to utilize this method. They do not like this method. They do not sanction it and they want to be governed by state law. Rather than utilize this loophole, one bank is now contemplating moving to Iowa. Another is contemplating selling their operation. Another is contemplating simply phasing it out. So the bill does have value. It has immense value. It solves the problem. Senator Lamb raised the question, why do anything, he said, until they prove there is a problem? That is the very essence of what I have been stating to you. They have documented a problem. They have proved their problem. Now, you ask, why haven't I passed out to the Legislature information showing the financial operation of each of the credit card operations of the banks involved? Answer: It is a very competitive field. They will take any senator here, document their case to him individually. They have, I think, satisfactorily documented it to the committee but they will not, I absolutely guarantee you, will not take and disclose all the facets in a public way or in a newspaper which is what would happen as he suggested or as is implied. The problem is here. That is what this is all about. It is a solution to the documented problem. Senator Johnson talked about changing small loan law to like 19 or 20 or 21%. This is my personal favored method. It also is a method I do not believe is possible to get passed and a method that would kill the bill and force all the banks back into doing what I said would happen, either go with the 24% of the federal law, throw the operations out, whatever.

**SPEAKER MARVEL:** You have two and a half minutes left totally on this matter.

**SENATOR DeCAMP:** Senator Peterson asked me a personal question. He said, what about my credit card? It doesn't expire until mid 1982. What if this law went into effect and you had charges now? There will not be retroactive charges on any credit card out there. What would happen is you would wait, on his particular case and probably most of you, until let's say June 1 when that expires, your new card to get reissued would have a charge. In this case it would be half a year so if the charge was \$12 for the year it would be \$6. The merchant issue: Why not just charge the merchant more? Because then you are putting a cost on all of us who maybe aren't even using credit cards, the general public. If you want to use a credit card, use that system, you should pay it. The merchant is simply going to raise his cost to cover that extra 5 or 6 or 7%. The whole general public is going to pay for it. I oppose that idea. The system I think we are offering you is the best one. I