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cost. There is really no reason for (b) to even be in here. As Senator Dworak said, five and a half percent, I will take my chances. I really don't think interest rates are going to go down to five and a half percent forever. So really it is an unnecessary part of the bill. I would urge your adoption of striking the "plus one percent per annum".

SPEAKER MARVEL: Senator Dworak.

SENATOR DWORAK: Well, here again we are trying to eliminate the spread between the reserve and the cash surrender values and that is the intent of the whole bill is for solvency and I think anybody understands that a bank has to have a spread between what they pay for interest and what they loan money out. I don't think anybody would ask banks to pay fourteen, fifteen percent on CDs and new forms of interest and then loan money out at sixteen and seventeen percent. I don't think that is in the cards. I just think it is a matter of common sense and that is what Senator Kilgarin is trying to do in the insurance industry. I think it is a great idea. I would like to be able to be a banker and pay twenty percent for money and loan it at twelve. I think probably I would be the most popular guy in town for about fifteen minutes and then the debtors would come and get me. But essentially that is the same principle here is we are trying to establish a one point spread and I don't think that is excessive and I would urge your rejection of this amendment.

SPEAKER MARVEL: Senator Burrows, your light is on.

SENATOR BURROWS: Mr. Chairman, members of the body, I think this is a reasonable amendment again. I think we have forgotten that this was the individual's money we are talking about on interest rates all the time throughout the bill. It is not something set off to the side that belongs to the insurance company that they are loaning out to the individual. I think the arguments that were just given you don't address this whatsoever. It is the individual's money that he is borrowing back on deposit really for him at the insurance company. So I think taking this one percent service charge out is very proper. There are some real problems coming with the issue constitutionally I feel attaching to indicators that were probably declared unconstitutional to attach to when we had a banking bill up last year that would have set the prime rates on national indicators and I think that should be addressed later but I think the bill has serious constitutional problems as it is drafted which will probably come forth with an Attorney General's opinion later