

SENATOR CARSTEN: Senator Hoagland, could you tell me what the difference between your amendment that you have here now and the one that we had before, is there a difference between them or are they identical?

SENATOR HOAGLAND: No, they are quite different in approach, Senator Carsten.

SENATOR CARSTEN: Okay, can you explain just briefly what the difference is?

SENATOR HOAGLAND: Sure. The difference in approach in this particular amendment is that it gives discretion to the board rather than the Legislature directing the SIDs that one particular interest rate or another will be in effect. This amendment gives the board of the political subdivision the discretion to leave the delinquent rate either at 2% above the nondelinquent rate, they can set it there all the way up to the amount provided in Section 1, then that board can make the decision based on what is best for the district. Does that answer your question?

SENATOR CARSTEN: Well, then as I understand the amendment you could very well have three different rates. Is that correct?

SENATOR HOAGLAND: Yes, it depends on what the board decides to do.

SENATOR CARSTEN: And at what time the...at what point the initial commitment was made. Is that correct?

SENATOR HOAGLAND: Yes, that is right.

SENATOR CARSTEN: Okay, so we are talking about what? Eight, ten, twelve or fourteen? Is that what we are talking about?

SENATOR HOAGLAND: Yes, if you are talking about the nondelinquent rate, Senator Carsten, you are talking about anywhere from 9% to 14% for a debt established prior to July of 1980. For a debt established after July of 1980 it would be 12, 13 or 14%.

SENATOR CARSTEN: Okay, but then it would be anything that is established after the effective date of this act, would then be at the rate if the board so desires. Is that correct?

SENATOR HOAGLAND: Whatever the board in its wisdom chooses, right.

SENATOR CARSTEN: Okay, thank you.