

amendment. In District 31 I have the largest number of SIDs. Many of the SIDs in my district are suffering economic hardship because of the recent extended economic recession. The present penalty for not paying assessments is 7% and once you become delinquent it is 9% and making a retroactive increase of 5% raising it all the way to 14% is going to put such additional hardships on those SIDs that many of them will not find themselves able to get out of their economic plight. Basically what happens is the 14% retroactive delinquency fee will be passed on to the cost of the lot, passed on to the prospective homeowner that buys it. With the increasing costs that we are already encountering most of those properties will not move. I ask you to support this amendment and in doing so supporting an already depressed industries. SIDs are not as bad as some of the members have tried to portray them as being. They are an island almost to themselves. They have to suffer through many years of paying off their indebtedness and bondedness and what happens when they do so the city annexes them and adds to the tax valuation of the city. In the very long run they are an asset to the city, not a deficit. Thank you.

SPEAKER MARVEL: Senator Vickers. The question has been called for. Do I see five hands? I do. All those in favor of ceasing debate vote aye, opposed vote no. Record.

CLERK: 26 ayes, 3 nays to cease debate, Mr. President.

SPEAKER MARVEL: Debate has ceased. The Chair recognizes Senator Hoagland to close on his motion.

SENATOR HOAGLAND: I will just close briefly on Senator Warner's and my motion, Mr. Speaker, if I might. Let me indicate again what this particular amendment does. It gives discretion to the board of the SID to set the interest rate on delinquent installments but that discretion is severely limited. The rate must be at least 2% more than the rate established by the district which was 7% before July of 1980 and 10% after July of 1980 on nondelinquent installments. Also the discretion is limited inasmuch as the rate cannot be more than the rate specified in Section 1 of the act. Now again this approach is in keeping with other sections of the bill which give discretion to other governing bodies to set interest rates on specials before delinquency to that extent is consistent with the uniformity. Now let me just make a couple of brief comments in response to some of the arguments made on the other side. This amendment does not further the cause of subdivision development and growth. It does not enhance urban growth and development. I think we all know that the real estate industry statewide in the early '70s and in the late '70s has been through two severe