

SENATOR CLARK: Senator Landis.

SENATOR LANDIS: Mr. Speaker, members of the Legislature, unfortunately we can't address the kill motion or pass over the bill to give the time to the body to study this without going to the committee amendments first. And it is like jumping into deep water without the ability to swim. The committee amendments are the deal. The committee amendments, the white pages, constitute the terms of the deal that has been cut and if we pass the committee amendments in this easy parliamentary procedure, we simply put our imprimatur on the negotiated package deal from the financial institutions of this state. So let's not just wink and say, adopt the committee amendments, move the bill along. The committee amendments are very important and we are about to take the step that simply lays out everything that we are going to do on 623. This is not one of those simple technical amendments because without the language in the committee amendments the bill isn't of value to the financial institutions. With the language changes it becomes immensely valuable and when we do this, when we take this action, we will have charted the course for the rest of LB 623. So what is in the committee amendments? What is in the committee amendments is giving life to and making workable the green copy of the bill which is in favor of or supported by a number of financial institutions, not all of them. There seems to be a split in the philosophy of the financial institutions. Some do not want Nebraska to take any action on the federal preemption. Unless we pass Section 10 this year or by April of next year, the State of Nebraska will not be in a position to regulate interest rates. Simple as that. When you look on page 8 of the white copy, you are looking at the authority of the State of Nebraska to control interest rates inside its borders for state chartered institutions. That is what is on that page. All the rest of the bill constitutes the end of the usury rates and interest maximums for financial institutions in this state. John puts them in an interesting problem. He says, give us the right to regulate in Section 10 and in return we will give you no state interest rates. Kind of puts them on the spot. The banks actually want perhaps the bill to fail so that they will go under the federal rules where there will be no interest rates and the State of Nebraska can never get back into the business of interest rates. So actually they don't want Section 10. They are willing to let the bill fail so that the feds will be able to tell us we can't regulate interest rates. The financial institutions on the other hand say, some of them, S & Ls and others say, that is all