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LB 623

minimum is Section 10. That is why I urge the rejection of the committee amendments and then the adoption of Section 10. To do so leaves us LB 623 with only one concept, the concept that the State of Nebraska can regulate interest rates inside its borders for state chartered institutions. I hope the rest of the Legislature agrees with me. Thank you.

SENATOR CLARK: Your time is up. Thank you. I would like to announce that Steve Grasz from Chappell, Nebraska is under the south balcony. He is a guest of Senator Haberman. Will you stand and be recognized please. Welcome to the Legislature. Now we are talking on the amendment to the amendment. Senator Burrows, did you want to talk on the amendment to the amendment?

SENATOR BURROWS: Yes, Mr. Speaker. I strongly urge the body to support and pass the Landis amendment. This amendment is the answer. Part of Senator DeCamp's proposal to retain control over interest rates in the State of Nebraska has merit, but the rest of the bill is one of the most usurious pieces of legislation that have hit this floor. I would like to bring up an example as far as what our usury rates and the errors we have made already that came to me. At a meeting this fall a farmer brought in a Sperry-New Holland contract on machine sales in the State of Nebraska, and on the back of that contract it had 18 percent interest for all states, except, and then it had four or five exceptions. Several of these were 12 percent. Those states had financing on that farm equipment at 12 percent where they had retained the 12 percent usury limit on machine sales in that state. It did not stop the national manufacturer from selling machinery in the state. It just left the states like Nebraska that were already at 18 percent subsidizing the 12 percent interest rates in those states where they had lower usury rates. If we move off and blow the usury system in the State of Nebraska with the present national interest policies, we are going to shove and balloon the most serious problem our state is facing today which is being put on us by the national policies of high interest rates. We have a homebuilding industry right now that is practically out of business because of high interest rates. Agriculture is in serious problems. We have hundreds of farmers that are being squeezed out because their interest bill is more than they are taking in and leaving them with no profit when they add the other expenses and that interest bill. Now we are not having the forced sales in agriculture like we had in the 1930s. What the