

in Nebraska make that decision themselves. If they want to pay a higher interest rate so they can get this money, well, fine, let's let them do it. A little earlier I passed out an editorial from a paper, from a daily paper up in my district and this paper is a very conservative paper. But anyway I would like to read just the last two paragraphs of this editorial. It goes on to say and they are talking about this bill, LB 702. "Making the new limits 24% on the first thousand dollars and 23% on higher amounts as the finance companies want will provide no windfall for these lenders. But it will allow them to offer credit to people who might otherwise be able to obtain none at all." They go on to say, "The fact that fifty finance companies closed their offices in Nebraska and the industry lost about \$2 million ought to influence the legislators to act and to act in a way that does not assume that politicians have the wisdom to dictate what borrowing is worth. They must act to ensure that there is credit for the higher risk customers without going to a private loan shark." And of course these loan sharks do charge excessive amounts of interest. This bill also has a sunset clause. The sunset clause says that it will go out of effect in 1985 and so at this time we will then review these rates and make adjustments if necessary. And so I would urge you to support this bill as amended and so that we can keep the small loan companies in Nebraska. We need them.

SENATOR NICHOL: Senator Newell.

SENATOR NEWELL: It is my understanding there is a kill motion on this.

SENATOR NICHOL: That is correct. Would you like to take that before you speak?

SENATOR NEWELL: Well if the bill is dead my speech won't make much purpose and if it is not dead it would make a lot more purpose. So why don't I just let you run that or let that be run and I will do my thing in a little bit.

SENATOR NICHOL: We were intending to do that after you spoke. Okay, Mr. Clerk.

CLERK: Mr. President, Senator Burrows would move to indefinitely postpone LB 702.

SENATOR NICHOL: Senator Burrows.

SENATOR BURROWS: Mr. Chairman, members of the body, the bill that I have heard talked about doesn't resemble the bill that I read. It provides 24% on that first thousand, 23% plus 7% origination fee and that becomes 31% and 30%.