

committee amendments, I take it, huh? Well, yes, I guess getting past the committee amendments and to the reasons for the bill...

SENATOR PIRSCH: And you can speak to the committee amendments now because you added a new section which eliminated the credit extended under the Uniform Commercial Code, the credit card and the credit agreements, which I'm not real sure what those are as defined in subdivision (1). In other words, you added more exemptions to the (inaudible).

SENATOR LANDIS: Those, yes...I'll be happy to explain those exemptions, if that's the nature of the question.

SENATOR PIRSCH: Okay.

SENATOR LANDIS: The exemptions that are given are for your checking account that gives you a loan should you bottom out on the account.

SENATOR PIRSCH: Okay.

SENATOR LANDIS: That does not require a written agreement for them to make a modification and adjust your credit balance and to give you, basically, surplusage in your checking account. That's the first one. The second one has to do with loans initiated by credit card types. Once you take the credit card you're on notice that...to repay, and you needn't then, if you're making a loan pursuant to the credit card, make an additional written agreement pursuant to that as well. Those are exceptions to the normal rule of the bill, which is that credit agreements will be in writing. Now, the second question that you asked me was why, why have credit agreements in writing. The law has a series of steps in it called the statute of fraud, saying certain kinds of contracts are important enough that they ought to be in writing so both parties know what their rights are.

SENATOR PIRSCH: And this leads what kind of those agreements then that we want to make sure we get in writing.

SENATOR LANDIS: Credit agreements for commercial purposes, personal loans for household fixtures over \$25,000, those...loans over \$25,000 generally that fall outside that exception, and commercial exchanges of credit will be covered by