

in effect to borrow money from the credit card issuer to make your purchase. Debit cards, on the other hand, like Instant Cash or Network, allow you to draw from your bank account balance. Currently debit cards are not covered by the statutes, and that in part is why we decided to bring this bill. It pertains to both the fraudulent use of credit and debit. Additionally, in some instances it would allow prosecutors to aggregate the amounts fraudulently accumulated and charge several acts as one scheme to defraud. According to testimony before the committee, persons skilled at the use...fraudulent use simply use the card purchasing amounts just under the felony limit of 300. By doing that, even though thousands of dollars may be stolen, the prosecutors can file only misdemeanors. By allowing prosecutors to aggregate the amounts, the problem would be remedied. Likewise, testimony before the committee indicated those who were professionals at this kind of activity often have more than one card. Since the bill is primarily designed to get and put out of business the professional thieves, we have included stiffer sentences for possessing more than one fraudulent card. It provides criminal penalties for fraudulent application of the cards, telemarketing fraud, counterfeiting credit cards, lastly it provides penalties for what is called factoring schemes, which are schemes by which unsuspecting merchants are conned into running fraudulent transactions through their banks. As we grow here in Nebraska in the coming years, growth will bring with it new jobs and new retailers and a more intense distribution of credit or debit cards. I think we need to have a law on the books which not only offers economic incentives to those businesses to move here, but what we must do is protect them once they're here. This offers safeguards for Nebraskans now and in the future who choose this viable and widely accepted means of transacting business. I would urge your support in advancing LB 372.

SENATOR LANDIS: Thank you, Senator Chizek. There is one light on. Senator Haberman, recognized on LB 372.

SENATOR HABERMAN: Senator Chizek, would you answer a question, please?

SENATOR LANDIS: Senator Chizek, would you yield to a question?

SENATOR CHIZEK: Yes.

SENATOR HABERMAN: Senator Chizek, the bill states on the sheet