SENATOR LANDIS: Mr. Speaker, members of the Legislature, LB 1199 makes some housecleaning changes to a bill that we passed last year with respect to written credit agreements. As you will recall, with a few exceptions, what we said in that bill was if you wanted to make a modification in a credit arrangement or agreement, you needed to do it in writing. If you had a preloan agreement, that, too, needed to be in writing to be effective. LB 1199, the housecleaning bill, came out of Banking Committee seven, nothing. Representing the Nebraska Bankers Association and the Kansas-Nebraska League of Savings and Loan Institutions were Bob Hallstrom and Larry Ruth, both in favor of the measure. The changes include a broadening of the coverage of the institutions that are affected by the written preloan and postloan modification rule. The agreement extends very clearly now to federal banks. There was a question as to how to interpret the language of the last bill as to whether or not it covered only state banks or not. Well, this one makes it clear that it must cover not only state but federal banks as well as state or federal savings and loans, building and loans, credit unions, industrial loans and investment companies, or a holding company or affiliate or subsidiary of such institution. So all of those entities will come under the same rules that we passed in last year's bill that Senator Schimek had as her priority on that day. One of the things that the bill does, in addition to broaden the coverage of institutions which are covered by this general principle, is to make clear that we are talking preloan and postloan modifications as opposed to the written credit agreement itself. What we didn't want to have happen was to have a jury come back with a conclusion or the judge come back with a conclusion or sense, perhaps, that there had been an oral understanding or perhaps that the notice requirements of this act had not have been complied with, that the loan, itself, was in default or was flawed in some way which would not permit recovery. The bill is meant to say clearly that, in fact, if there is a loan and you have got the money under the loan, you need to pay it back. This is not meant to create some method of defense for that simple commercial transaction. Lastly, it includes an appropriate laundry list of instruments and documents which should not be conceived of as the credit agreement so that, in that case, there is no problem with the application of this rule to defeat what should be recoverable interest, and that is the loaning of money. Finally, there is an attempt to parallel the kind of notification requirements in the preloan to the postloan