

double digit annual rates. They will topple 500,000 individuals who will declare bankruptcy, and those people, at a last gasp, look for some kind of credit to get them out. These kinds of scam operations are very popular among the people who are at risk of being in bankruptcy as a last gasp measure of staying out of it. And there are many, many individuals who fall into them. In one case, I believe in Pennsylvania, the number of consumers that the credit right scam covered were 9,000 consumers, in other states 5,000. If you've been looking at your late night television, you see these kinds of ads in the State of Nebraska already. Now to the committee amendments. The committee amendments add to the list of exempt organizations collection agencies. And the reason that they're exempt is because we already have licensure or certificate authority over a wide variety of financial institutions that might offer some kind of credit organization assistance. In the event that they are already licensed in this state, we have methods of discipline. So credit...collection agencies are exempted from the bill. On a floor amendment we will also exempt debt management organizations which are licensed pursuant to state law, but that's not in the committee amendments. The second piece in the committee amendment comes to us from Senator Wesely. Senator Wesely, years ago, passed a bill in which a rather unscrupulous character in this state was offering to get help for people by getting them farm loans. He would take money, up front, and then the loans would fall through. We passed a bill that said, look, if you promise to get somebody a loan, you can't get your fee for doing that until the loan is secured. That concept is being applied under 292. And what the Wesely amendment, which the committee adopted, says is that if one of these credit service organizations, which is heretofore unlicensed, makes the promise that they will obtain a loan for an individual, that they may charge a fee and receive that fee only upon that loan being created. I would urge the adoption of these two committee amendments, and then we can return to the bill at large.

SPEAKER BAACK: Is there anyone else wishing to discuss the committee amendments? Seeing no one, Senator Landis, do you wish to close?

SENATOR LANDIS: Let me remind you again of the committee amendments. First, that collection agencies are exempt because we have control of them under existing law. Secondly, that if one of these credit service organizations promises an individual