

January 24, 1992 LB 226

But I am going to withdraw the amendment that I have up there now. And I believe, Mr. Clerk, is there another amendment up there?

CLERK: Yes, sir.

SENATOR ASHFORD: I am going to withdraw the amendment we are now discussing and then go to that one.

CLERK: Mr. President, Senator Ashford would move to amend. (Read FA238 on page 480 of the Legislative Journal.)

SENATOR LAMB: Senator Ashford.

SENATOR ASHFORD: Thank you, Mr. President. This amendment simply strikes Section 17. I would like someone to just tell me, answer for me the issue that I have raised, why do we want to interfere with an individual consumer's ability to contract for a period of longer than one year, if they can get a better deal by doing that? Why do we do that? Senator Nelson, could you tell me?

SENATOR LAMB: Senator Nelson, would you respond?

SENATOR NELSON: Yes, actually that is the bill. It is the most important part of the bill because people are sold lifetime memberships, lifetime contracts. Sometimes when the...the company may only go down to one tread machine, and then they are stuck for a lifetime contract. I don't know if you read all of these Attorney General's Opinions. Here, a lifetime...a club consumer purchased a life membership at the cost of \$742.72. The facility advertised to open soon. Never did open. Conveniently located facility within a few months, consumer purchased a one-year membership, \$599; facility never opened. That's...typically a long-term contract is sold and the purchaser is obligated to pay for five more years or ten more years. They sell those to financial institutions, and so then they are paying back...they have had liens put on their house, back to the camping ground, and this elderly couple...people don't read contracts, and we need to protect them for that reason. Oh, it is...

SENATOR ASHFORD: Thank you, Senator Nelson. I appreciate the full and complete answer to my question. That is the problem. We are not here to substitute ourselves for two people