

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
Transcriber's Office

March 30, 2000 LB 932

us some money because the web site itself carries all the information and should save us some money. Secondly, in the limited size offerings, which essentially don't have to pay for a registration, they're exempt from registration, we say that there can be no general or public advertisements or solicitations, and currently we say newspaper, radio or television. This adds a subsection that brings in the Internet as well, so that we keep these as genuinely limited sized offerings that are not open to the public on a wide scale and, for that reason, we stay true to this kind of regulation that we currently have. We allow credit unions to have their board of directors meetings by conference calls. We require them to have a fidelity bond and we have a credit union wild-card bill in here as well. Installment loan companies, small loan companies, have gradually moved into the area of second mortgages. We have a Mortgage Bankers Registration and Licensing Act, and this year our Banking Department said, look, the installment loan companies are now doing the kinds of things which are regulated under the Bankers Registration and Licensing Act and we should ask of them the same thing that we're asking for others who are doing real estate work and that's to maintain a toll-free telephone number, accept collect telephone calls, to respond to inquiries from borrowers and those provisions are in the bill. The revolving charge agreements, which can have a 30-days-same-as-cash provision have had a difficulty in the past because of blurred and unclear interpretations of what 30-days-same-as-cash means. These (inaudible) resolve... pardon me, these revolving charge agreements will have in them the date, the exact date, when the 30-days-same-as-cash kind of offering comes to an end and that interest will start to be collected, and this will help us clarify, apparently, the discrepancies between what purchasers think they're getting and what sellers say that they are selling. In the case of installment loans, when there has been a cancellation of the loan, this says that the holder of the loan shall send notice to the buyer that there could be a refund necessary on their credit life insurance. Now the law itself, or this bill, says two days, two business days, and in fact we've had one major borrower...or lender say that should be longer, and the department has agreed to 15 days, but I'm going to offer on Select File that change so I can honor what the Speaker said today about putting off for sufficient notice changes to these