

Chairman Robinson called a Subcommittee of the Commerce Committee to order at 1:36 p.m. in Room 200.

SUBCOMMITTEE MEMBERS PRESENT: Mr. Dini
Mr. Kovacs
Mr. Rusk
Dr. Robinson

SUBCOMMITTEE MEMBERS ABSENT: None

The purpose of the meeting was to discuss amendments to S.B. 101.

S.B. 101: REMOVES LIMITATIONS ON INTEREST RATES FOR LOANS.

Dr. Robinson asked Renny Ashleman if he had any problems with the amendments proposed by Kent Hansen at the Las Vegas Subcommittee meeting.

Mr. Ashleman responded that he did not have any problems with that proposed amendment; however, it did not solve the problems of Mr. Howard Cunningham. Mr. Ashleman indicated that a better solution would be to exempt all mortgage company/trust mortgage real property loans over \$500,000. He also said that he recommended the removal of subparagraphs b and c under Section 5.2.

The language on page 2, line 39 would then read: "645B.195 1. For an extension of credit less than \$500,000 which . . ."

On line 41 of page 2, the bracket should be removed as well as the bracket on line 45. Also the words "may be any rate agreed upon by the parties" should be removed and the brackets on line 47, page 2 and line 1, page 3 should come out.

Mr. Ashleman went on to say:

"You would want to bracket '(a)' on line 47 of page 2 and bracket everything on page 3 from '(b)' through the end of line 5 of page 3."

Mr. Ashleman then marked a copy of Amendment No. 368 to further amend the bill the way Mr. Joe Midmore wanted it.

There was additional discussion concerning the rationale for some of the amendments, plus additional discussion concerning Section 13 of the bill. It was also the consensus of the subcommittee not to put language into S.B. 101 pertaining to loansharking or shylocking; that that issue should be addressed in another bill entirely.

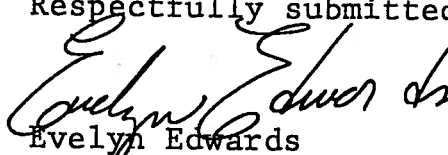
Dr. Robinson indicated that he could see no reason why the banks should be prohibited from charging an annual membership fee for their credit cards.

There was further discussion among the subcommittee members regarding Section 13 of the bill. Mr. Ashleman suggested deleting lines 7 through 9 on page 6, which appears in Mr. Vargas' draft as Section 14. He said that subsection 2 of Section 13 of the first reprint should be left as it now reads.

Dr. Robinson commented that page 5, line 44 should be changed so that "Depositary" becomes "Depository."

There being no further business, Chairman Robinson adjourned the subcommittee meeting.

Respectfully submitted,



Evelyn Edwards
Committee Secretary