

MINUTES OF MEETING  
STATE AFFAIRS COMMITTEE  
February 20, 1961

State Affairs Committee met in Room 529 at 1:30 P.M. Mr. Richardson was present to be heard on House Bill 200. He stated that this measure proposed to reduce the rate of interest permissible to Small Loan agencies. He substantiated his statements with considerable statistics, see attached. Mr. Ford inquired if the bill passed in the 1955 session wasn't intended to take care of the abuses of which he speaks, and it was agreed that this is so; and yet, he feels that the rate of interest is still too high, i.e. on \$100.00 loan one might pay as much as \$36.00 per year in interest; that the money derived on these loans comes from those least equipped to afford it. Considerable discussion was held by the committee as to the ratio of foreign companies and Kansas companies; loss ratio on loans, etc. Mr. Richardson stated that he had attempted to secure the information on foreign companies and was denied the privilege, but that he had secured a ruling from the Attorney General's office granting permission, but that he had not had time to look at the records.

Mr. Weiner and Mr. McGill were introduced to discuss House Bills Nos. 89 and 195. Present were individuals from the affected enterprises (see attached list). Mr. Weiner stated that these proposed measures deal with the licensing and inspection of hotels, restaurants, etc.; and further, seeks to increase application fees and the allowance of the board when they are meeting. After considerable discussion, questions and answers, Mr. Taylor suggested that these bills be incorporated, amended as discussed, and then presented again to the committee, and it was tentatively agreed that the incorporated bill would be introduced as a committee bill.

Mr. Gardner spoke in behalf of House Bill 194, a local bill, giving authority for certain counties, specifically Johnson County, to build garages, and providing for the financing thereof. It was stated that this is a permissive legislation rather than mandatory. It was moved by Mr. Gardner, seconded by Mr. Ford and passed unanimously that the bill be recommended to the house for passage.

Mr. Wallace appeared in support of House Bill 244, regarding cemetery districts too small to administer, and permitting them to integrate with larger districts. Mr. Underwood inquired how this tied in with H.B. 172, and Mr. Gardner stated that the latter dealt with first class cities. Mr. Wallace moved, seconded by Mr. Bisbee, that this bill be recommended to the House for passage. Motion carried.

Miss Jacquart spoke on behalf of Mr. Baringer's H.C.R. 23, and quoted from Drew Pearson's column (see attached). Mr. Kissick moved and Mr. Ford seconded that a vote be had on this resolution. Motion carried and voting was by ballot (~~see envelope attached~~). The resolution was recommended for adoption by a vote of 12 in favor, 4 opposed.

Mr. Fribley discussed House Bill 178, as concerns reimbursement for jobs where federal funds are involved; that it provides for the legal acceptance of this money. The committee discussed the matter for some time and the Chairman advised that we are entitled to certain federal funds, and this measure just provides a legal way for us to get it.

Mr. Fribley moved, seconded by Miss Jacquart, that No. 178 be recommended back to the House for passage. Motion carried.

Mr. Fribley then spoke on behalf of House Bill No. 98, the funeral directors' bill, and moved, seconded by Mr. Ford that the measure be recommended to the House for passage. By ballot the vote was 13 in favor, 4 opposed.  
(~~see envelope attached~~)

The Chairman asked members of the committee to hold the evening of March 6th for a committee hearing, and mentioned that a hearing will be held the afternoon of March 6th on H.B. 150.

Mr. Taylor then stated that proposed legislation had been handed him, originating in the Safety Department on freight elevators inspections, etc. Mr. Peppercorn was appointed as the member to read same and report the contents to the committee.

Meeting adjourned.

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# TV Crime Shows, Westerns Targets for New FCC Boss

By DREW PEARSON

WASHINGTON—TV crime thrillers and westerns may be in for a tough time in the future, if the Senate cross-examination of new Federal Communications Chairman Newton Minow is any criterion.

The senators pounded the new chairman, a law partner of Adlai Stevenson, pretty hard on the manner in which crime on TV is influencing American morals.



Drew Pearson

\* \* \*  
"LAST NIGHT was a very bad night and most of us stayed home," cross-examined Sen. John Pastore, D-R.I. "I looked at TV for three or four hours. I don't know how many people were horse-whipped, I don't know how many were shot, I don't know how many were killed. Just sitting there, I wondered what kind of an influence this

has on people. . . . I think the American public deserves something better than that."

"Senator, I will do my best," replied Minow. "I certainly hope we can have more wide open spaces between the westerns and more public affairs than private eyes. The commission has a role in elevating and encouraging better programs, and I am determined to do something about it."

Senator Yarborough, D-Tex.: "Groups from foreign countries say that the worst export America has, doing us more harm in our foreign relationships than anything else, is American films and television programs."

Chairman Magnuson, D-Wash.: "When a thing is fiction, it should be so labeled. And when it attempts to present a historical fact, it should be as accurate as possible. That hasn't been done in television shows."

Minow: "Exactly."  
MAGNUSON: "That is something the commission does have the authority to handle and it is a sensitive

thing. All these Wyatt Earps and Bat Mastersons, if you read their history you wouldn't believe the two are the same people."

Minow: "I am going to try my best to do something about that, Mr. Chairman."

\* \* \*  
SENATOR Cotton, R-N.H.: "Do you, as a lawyer, feel that while the FCC couldn't legally and legitimately, probably say to a licensee, 'We are going to deny you a renewal of your license because you put on shootings and crime plays,' you could analyze the proportion of time they put into that and say, 'You are putting in a disproportionate amount of time, and it should be a better balanced program?'"

Minow: "That is my view, Senator."

Senator Cotton: "Do you feel that you would have legal ground to stand to really deny a licensee and have some force and some power in enforcing that sort of regulation?"

Minow: "I do, Senator. I feel that, after all, the airways belong to the people. When the government assigns the right to use the people's property, it has a legitimate concern and a legal right to see to it that it is used in the public interest."

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NAME AND TITLE

Robert A. Hilgendorf, chief inspector

*J. L. Lu*

*Tamara (Aurea) Hotel Ke*

Patricia A. Beeley Pleasant Cafeteria, Topoka



MAXIMUM RATES ALLOWED BY STATUTE FOR SMALL LOANS

STATE	(Monthly Rates Unless Otherwise Indicated)
Alabama	3% (monthly) to \$200; 2%-\$200 to \$300 (Not more than 6%-8% over \$300) \$75 or less-\$1 on each \$5 advanced if 15 days are allowed for repay
Arizona	3% to \$300; 2%-\$300 to \$600
Arkansas	10% annually - usury law
California	2 1/2% to \$100 (2% if security insured); 2%-\$100 to \$500; 5/6%-\$500 to \$5000; no max. - \$5000
Colorado	3% to \$300, 1 1/2% for \$300 - 500, 1% on excess
Connecticut	3% to \$100; 2%-\$100 to \$300; 3/4% - \$300 to \$600
Delaware	6% annually plus 2% service charge to \$500 (limit)
Florida	3% to \$300; 2% - \$300 to \$600
Georgia	8% annually to 2500 limit
Idaho	3% to \$300, 2% from \$300-\$500, 1% \$500-\$1,000
Illinois	3% to \$150, 2% from \$150 to \$300, 1% from \$300-\$800
Indiana	3 1/2% to \$150, 2 1/2% from \$150-\$300, 1 1/2% from \$300-\$500
Iowa	3% to \$150; 2% from \$150-\$300, 1 1/2% from \$300-\$500
KANSAS	3% to \$300, 10% annually from \$300 to \$2,100
Kentucky	3% to \$150; 2%-\$150 to \$600, 1%-\$600 to \$800 OR Annual rates of \$20 per \$100 up to \$150, \$15 per \$100 between \$150-\$600, and \$11 per \$100 between \$600-\$800
Louisiana <sup>1</sup>	3 1/2% to \$150, 2 1/2% to \$300
Maine	3% to \$150, 2 1/2% to \$300
Maryland	3 1/2% to \$300
Massachusetts <sup>1</sup>	2 1/2% to \$200; 2%-\$200 to \$600; 1 3/4%-\$600 to \$1000; 3/4 of 1%-\$1000 to \$1500
Michigan	3% to \$50; 2 1/2% - \$50 to \$300; 3/4 of 1% - \$300 to \$500
Minnesota	2 3/4% to \$300; 1 1/2% - \$300 to \$600
Mississippi <sup>2</sup>	6% to per annum plus service charges
Missouri	\$15 on \$100 annually and not over 2.218% (monthly) to \$500
Montana	Annual rates: 20% to \$300; 16%-\$300 to \$500; 12%-\$500 to \$1000 (Loans of 90 or less-20% of loan)
Nebraska	3% to \$150; 2 1/2% to \$300; 3/4% - \$300 to \$3000
Nevada	Annual rates: 9% to \$1000; 8%-\$1000 to \$2500
New Hampshire	2% to \$300 (limit)
New Jersey	2 1/2% to \$300; 1 1/2%-\$300 to \$500
New Mexico	3 1/2% to \$150; 3%-\$150 to \$300; 1%-\$300 to \$1000
New York	2 1/2% to \$100; 2%-\$100 to \$300; 3/4%-\$300 to \$800
North Carolina	6% annually
North Dakota	2 1/2% to \$250, 2%-\$250 to \$500; 1 3/4%-\$500 to \$750; 1%-\$750 to \$1000
Ohio	3% to \$150, 2%-\$150 to \$300; 8% annually (2/3%) - \$300 to \$1000
Oklahoma	10% annually plus fees not over 5% nor over \$15 ea. 6 mos., plus not over \$2 monthly.
Oregon	3% to \$300; 2%-\$300 to \$500; 1%-\$500 to \$1500; over \$1500-10% annual
Pennsylvania	3% to \$150; 2% - \$150 to \$300; 3% - \$300 to \$600
Rhode Island	3% to \$300 (limit)
South Carolina	6% annual to \$200(limit) plus 6% initial service ch. and \$1.75 monthly, ch.
South Dakota	3% (36% annual) to \$300; 3/4% (9% annual) \$300 to \$2500 (limit)
Tennessee	6% annual plus 1% monthly to \$300 (limit)
Texas	10% annually - usury law
Utah	3% to \$600; 10% annual rate for over \$600
Vermont	2 1/2% to \$125; 2 1/4% - \$125 to \$300; 1%-\$300 to \$600
Virginia <sup>3</sup>	2 1/2% to \$300; 1 1/2%-over \$300 but reduced to 6% annual in certain cases
Washington	3% to \$300; 1 1/2% - \$300 to \$500; 1% - \$500 to \$1000
West Virginia	3 1/2% to \$150; 2 1/2% - \$150 to \$300
Wisconsin	Set by Department of Banking - W.S.A. 214.07
Wyoming	3 1/2% to \$150; 2 1/2% - \$150 to \$300; 1% - \$500 to \$1000; plus charges

MEMORANDUM: Research Department, Kansas Legislative Council February 17, 1961

SUBJECT: Interest Charged for Small Loans

#### EXPLANATION OF TABLE SHOWING MAXIMUM RATES

The table headed "Maximum Rates Allowed by Statute for Small Loans" shows the maximum rate permitted per month on unpaid principal balances, unless otherwise indicated. Where more than one rate is given, the first rate applies up to the first amount given, and the second rate applies between the next two amounts listed. For example, in Arizona the maximum charge on \$400 is 3% of \$300 plus 2% of \$100 or \$11.

The footnotes to the table are as follows:

1. Rate reduced one year after maturity to 8% annually in Louisiana and 6% annually in Massachusetts.
2. Mississippi - Combined service charge and interest on loans of less than \$100 cannot exceed \$1.90 to \$2.25. Loans over \$100 cannot have service charge and interest exceeding 2% of amount borrowed times months loan is extended.
3. Virginia - Rate reduced to 6% annually (a) after judgment, (b) 90 days after adjudication in bankruptcy, (c) 90 days after death of the borrower, (d) 23 months after date of making the loan.