

HOUSE BILL NO. 300

INTRODUCED BY O'KEEFE, AKLESTAD
BY REQUEST OF THE DEPARTMENT OF STATE LANDS

IN THE HOUSE

JANUARY 21, 1991 INTRODUCED AND REFERRED TO COMMITTEE
ON APPROPRIATIONS.

 FIRST READING.

MARCH 25, 1991 COMMITTEE RECOMMEND BILL
DO PASS. REPORT ADOPTED.

MARCH 26, 1991 PRINTING REPORT.

MARCH 27, 1991 SECOND READING, DO PASS.

MARCH 28, 1991 ENGROSSING REPORT.

 THIRD READING, PASSED.
AYES, 91; NOES, 7.

 TRANSMITTED TO SENATE.

IN THE SENATE

MARCH 28, 1991 INTRODUCED AND REFERRED TO COMMITTEE
ON FINANCE & CLAIMS.

 FIRST READING.

APRIL 4, 1991 COMMITTEE RECOMMEND BILL BE
CONCURRED IN AS AMENDED. REPORT
ADOPTED.

APRIL 8, 1991 SECOND READING, CONCURRED IN.

APRIL 9, 1991 THIRD READING, CONCURRED IN.
AYES, 42; NOES, 3.

 RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

APRIL 11, 1991 RECEIVED FROM SENATE.

 SECOND READING, AMENDMENTS
CONCURRED IN.

APRIL 12, 1991

THIRD READING, AMENDMENTS
CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

HOUSE BILL NO. *300*

INTRODUCED BY *Rufus AHLESTAD*
BY REQUEST OF THE DEPARTMENT OF STATE LANDS

A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING SALES OF STATE LAND ON AN INSTALLMENT BASIS; REQUIRING CASH SALES; AND AMENDING SECTION 77-2-329, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 77-2-329, MCA, is amended to read:

"77-2-329. Terms of payment. (1) Every purchaser of state land shall pay on the day of sale that portion of the purchase price as he may desire, but in no case less than 10% of the total sales price. In case the balance on the purchase price is not an exact multiple of \$25, then he shall pay such additional sum as is necessary to reduce the balance to an even multiple of \$25.

(2) ~~The balance of the purchase price shall draw interest at the rate set by the board, but in no instance shall the rate be less than 5% per year, payable annually, and the balance of the purchase price itself shall be payable through a period of 33 years on the amortization plan. This plan is defined as being that plan under which part of the principal is required to be paid each time interest becomes due and payable and under which this part~~

~~payment on the principal increases at each succeeding installment in the same amount that the interest payment decreases so that the combined amount due on principal and interest on each due date remains the same until the loan or bond is paid in full. However, the amount of the last installment may vary from the other installments to the extent resulting from disregarding fractional cents in the previous installments. The balance of the purchase price on town and city lots shall be payable on the amortization plan through a period of 20 years, but the board may at any time fix a shorter period than 20 years for the payment of the balance on town and city lots. Different periods of time may be established for different towns and cities as the best interests of the state demand. The board shall annually review the interest rate prior to December 31 of each year and may review the interest rate at any time the board determines such review is necessary. The interest rate fixed by the board applies to all contracts entered into until the board fixes a different interest rate. The purchaser shall pay the balance of the purchase price within 30 days. The department may extend this deadline up to 30 additional days for good cause."~~

-End-



STATE OF MONTANA - FISCAL NOTE

Form BD-15


In compliance with a written request, there is hereby submitted a Fiscal Note for HB0300, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION


This bill eliminates sales of state land on an installment basis and requires cash sales.

FISCAL IMPACT:

No fiscal impact.



ROD SUNDSTED, BUDGET DIRECTOR 1-21-91 DATE
Office of Budget and Program Planning



MARK O'KEEFE, PRIMARY SPONSOR 1/25/91 DATE
Fiscal Note for HB0300, as introduced

HB 300

APPROVED BY COMMITTEE
ON APPROPRIATIONS

1 House BILL NO. 300
2 INTRODUCED BY Ruff ANLESTAD
3 BY REQUEST OF THE DEPARTMENT OF STATE LANDS
4

5 A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING SALES OF
6 STATE LAND ON AN INSTALLMENT BASIS; REQUIRING CASH SALES;
7 AND AMENDING SECTION 77-2-329, MCA."
8

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 **Section 1.** Section 77-2-329, MCA, is amended to read:

11 "77-2-329. Terms of payment. (1) Every purchaser of
12 state land shall pay on the day of sale that portion of the
13 purchase price as he may desire, but in no case less than
14 10% of the total sales price. In case the balance on the
15 purchase price is not an exact multiple of \$25, then he
16 shall pay such additional sum as is necessary to reduce the
17 balance to an even multiple of \$25.

18 (2) ~~The balance of the purchase price shall draw~~
19 ~~interest at the rate set by the board, but in no instance~~
20 ~~shall the rate be less than 5% per year, payable annually,~~
21 ~~and the balance of the purchase price itself shall be~~
22 ~~payable through a period of 33 years on the amortization~~
23 ~~plan. This plan is defined as being that plan under which~~
24 ~~part of the principal is required to be paid each time~~
25 ~~interest becomes due and payable and under which this part~~

1 payment on the principal increases at each succeeding
2 installment in the same amount that the interest payment
3 decreases so that the combined amount due on principal and
4 interest on each due date remains the same until the loan or
5 bond is paid in full. However, the amount of the last
6 installment may vary from the other installments to the
7 extent resulting from disregarding fractional cents in the
8 previous installments. The balance of the purchase price on
9 town and city lots shall be payable on the amortization plan
10 through a period of 20 years, but the board may at any time
11 fix a shorter period than 20 years for the payment of the
12 balance on town and city lots. Different periods of time may
13 be established for different towns and cities as the best
14 interests of the state demand. The board shall annually
15 review the interest rate prior to December 31 of each year
16 and may review the interest rate at any time the board
17 determines such review is necessary. The interest rate fixed
18 by the board applies to all contracts entered into until the
19 board fixes a different interest rate. The purchaser shall
20 pay the balance of the purchase price within 30 days. The
21 department may extend this deadline up to 30 additional days
22 for good cause."

-End-

HOUSE BILL NO. *300*

INTRODUCED BY *Rufus AKLESTAD*
BY REQUEST OF THE DEPARTMENT OF STATE LANDS

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-End-

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
April 4, 1991

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration House Bill No. 300 (third reading copy -- blue), respectfully report that House Bill No. 300 be amended and as so amended be concurred in:

1. Title, line 6.

Following: "BASIS;"

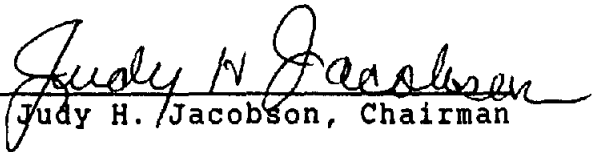
Insert: "AUTHORIZING THE BOARD OF INVESTMENTS TO PURCHASE
CONTRACTS FOR DEED AND MORTGAGES ON STATE CABINSITES;"

2. Page 2, following line 22.

Insert: "NEW SECTION. Section 2. Investment of state cabinsite sales. The board of investments may purchase from approved lenders contracts for deed or mortgages for cabinsites on state trust land for the trust and legacy fund.

NEW SECTION. Section 3. Codification instruction.
[Section 2] is intended to be codified as an integral part of Title 17, chapter 6, part 2, and the provisions of Title 17, chapter 6, part 2, apply to [section 2]."

Signed:


Judy H. Jacobson, Chairman

 4-4-91
Asst. Coord.

 4-4-91 4:00
Sec. of Senate

SENATE
HB 300

HOUSE BILL NO. 300

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BY REQUEST OF THE DEPARTMENT OF STATE LANDS

A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING SALES OF STATE LAND ON AN INSTALLMENT BASIS; AUTHORIZING THE BOARD OF INVESTMENTS TO PURCHASE CONTRACTS FOR DEED AND MORTGAGES ON STATE CABINSITES; REQUIRING CASH SALES; AND AMENDING SECTION 77-2-329, MCA."

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NEW SECTION. SECTION 2. INVESTMENT OF STATE CABINSITE



1 SALES. THE BOARD OF INVESTMENTS MAY PURCHASE FROM APPROVED
2 LENDERS CONTRACTS FOR DEED OR MORTGAGES FOR CABINSITES ON
3 STATE TRUST LAND FOR THE TRUST AND LEGACY FUND.
4 NEW SECTION. SECTION 3. CODIFICATION INSTRUCTION.
5 {SECTION 2} IS INTENDED TO BE CODIFIED AS AN INTEGRAL PART
6 OF TITLE 17, CHAPTER 6, PART 2, AND THE PROVISIONS OF TITLE
7 17, CHAPTER 6, PART 2, APPLY TO {SECTION 2}.

-End-