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SENATE BILL NO. 235

INTRODUCED BY *Grealy, Stimmel, Holt, Fairbender, Hilstad, Hovde, Hall, J. Hoover, R. Smith, STEPHENS, Flynn, Rosell*

A BILL FOR AN ACT ENTITLED: "AN ACT TO REGULATE THE MAXIMUM RATE OF INTEREST WHICH PARTIES MAY AGREE TO IN WRITING, AMENDING SECTION 47-125, R.C.M. 1947."

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

Section 1. Section 47-125, R.C.M. 1947, is amended to read as follows:

"47-125. ~~Same--any rate not--exceeding--ten--per--cent~~ allowed by agreement. Parties may agree in writing for the payment of any rate of interest ~~not exceeding--the--rate--of~~ ten-per-cent-per-annum more than five percent (5%) in excess of the discount rate on ninety-day commercial paper in effect at the federal reserve bank in the ninth federal reserve district, and such interest shall be allowed, according to the terms of the agreement, until the entry of judgment."

-End-

INTRODUCED BILL

SB 235

Approved by Committee
on Business and Industry

1 SENATE BILL NO. 235

2 INTRODUCED BY GREELY, HIMSL, GALT, FASBENDER,
3 KOLSTAD, TOWE, HAZELBAKER, GOODOVER, R. SMITH,
4 STEPHENS, FLYNN, ROSELL

5
6 A BILL FOR AN ACT ENTITLED: "AN ACT TO REGULATE THE MAXIMUM
7 RATE OF INTEREST WHICH PARTIES MAY AGREE TO IN WRITING,
8 AMENDING SECTION 47-125, R.C.M. 1947."

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

11 Section 1. Section 47-125, R.C.M. 1947, is amended to
12 read as follows:

13 "47-125. Same any rate ~~not--exceeding--ten--per--cent~~
14 allowed by agreement. Parties may agree in writing for the
15 payment of any rate of interest not ~~exceeding--the--rate--of~~
16 ten--per--cent--per--annum more than five-percent-(5%) TEN
17 PERCENT (10%) PER ANNUM OR MORE THAN FOUR PERCENT (4%) in
18 excess of the discount rate on ninety-day commercial paper
19 in effect at the federal reserve bank in the ninth federal
20 reserve district AT THE DATE THE LOAN IS EXECUTED, and such
21 interest shall be allowed, according to the terms of the
22 agreement, until the entry of judgment."

-End-

1 SENATE BILL NO. 235
 2 INTRODUCED BY GREELY, HIMSL, GALT, FASBENDER,
 3 KOLSTAD, TOWE, HAZELBAKER, GOODOVER, R. SMITH,
 4 STEPHENS, FLYNN, ROSELL
 5

1 LIMITATION."
 2 SECTION 2. THIS ACT IS EFFECTIVE ON ITS PASSAGE AND
 3 APPROVAL.

-End-

6 A BILL FOR AN ACT ENTITLED: "AN ACT TO REGULATE THE MAXIMUM
 7 RATE OF INTEREST WHICH PARTIES MAY AGREE TO IN WRITING,
 8 AMENDING SECTION 47-125, R.C.M. 1947; AND PROVIDING AN
 9 EFFECTIVE DATE."
 10

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 12 Section 1. Section 47-125, R.C.M. 1947, is amended to
 13 read as follows:

14 "47-125. Same any rate ~~not exceeding ten per cent~~
 15 allowed by agreement. Parties may agree in writing for the
 16 payment of any rate of interest ~~not exceeding the rate of~~
 17 ~~ten per cent per annum~~ more than five percent--(5%) TEN
 18 PERCENT (10%) PER ANNUM OR MORE THAN FOUR PERCENT (4%) in
 19 excess of the discount rate on ninety-day commercial paper
 20 in effect at the federal reserve bank in the ninth federal
 21 reserve district AT THE DATE THE LOAN IS EXECUTED, and such
 22 interest shall be allowed, according to the terms of the
 23 agreement, until the entry of judgment. ON LOANS IN EXCESS
 24 OF ONE MILLION DOLLARS (\$1,000,000), PARTIES MAY AGREE IN
 25 WRITING TO THE PAYMENT OF ANY RATE OF INTEREST, WITHOUT

HOUSE OF REPRESENTATIVES

March 14, 1975

HOUSE COMMITTEE ON B & I AMENDMENT TO SENATE BILL 235

1. Amend page 1, following line 14.

Strike: the remainder of the bill in its entirety.

Insert: " "47-125. Same--any rate ~~not-exceeding-ten-per-cent~~ allowed by agreement -- limitations as to certain loans. Parties may agree in writing for the payment of any rate of interest not exceeding-the-rate-of-ten-per-cent-per-annum, not exceeding the rate of twelve and one-half percent (12-1/2%) per annum on loans less than fifty thousand dollars (\$50,000), fifteen percent (15%) on loans in excess of fifty thousand dollars (\$50,000) and not exceeding one million dollars (\$1,000,000), and as the parties may designate on loans in excess of one million dollars (\$1,000,000) and such interest shall be allowed, according to the terms of the agreement, until the entry of judgment."

Section 2. This act is effective on its passage and approval."

AS SO AMENDED
BE CONCURRED IN

March 20, 1975

HOUSE OF REPRESENTATIVES

Committee of the Whole Amendment to SENATE BILL NO. 235

1. Amend House Committee on Business and Industry amendments dated March 14, 1975

Strike: "one million (\$1,000,000)" where shown and

Insert: "five hundred thousand (\$500,000)"

AND AS SO AMENDED

BE CONCURRED IN

HOUSE OF REPRESENTATIVES

MARCH 20, 1975

COMMITTEE OF THE WHOLE AMENDMENT

TO SENATE BILL NO. 235, and the HOUSE COMMITTEE ON BUSINESS
AND INDUSTRY AMENDMENTS DATED MARCH 14, 1975.

1. Amend the House Committee on B&I amendment no. 1,
midway through the amendment:

Following: "less than"

Strike: "fifty thousand dollars (\$50,000), fifteen
percent (15%) on loans in excess of fifty thousand
dollars (\$50,000) and not exceeding"

AS SO AMENDED

BE CONCURRED IN

SENATE BILL NO. 235

INTRODUCED BY GREELY, HIMSL, GALT, FASBENDER,
KOLSTAD, TOWE, HAZELBAKER, GOODOVER, R. SMITH,
STEPHENS, FLYNN, ROSELL

A BILL FOR AN ACT ENTITLED: "AN ACT TO REGULATE THE MAXIMUM
RATE OF INTEREST WHICH PARTIES MAY AGREE TO IN WRITING,
AMENDING SECTION 47-125, R.C.M. 1947; AND PROVIDING AN
EFFECTIVE DATE."

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

Section 1. Section 47-125, R.C.M. 1947, is amended to
read as follows:

47-125. Same any rate not exceeding ten per cent
allowed by agreement. Parties may agree in writing for the
payment of any rate of interest not exceeding the rate of
ten per cent per annum more than five percent (5%) per
percent (10%) per annum of more than four percent (4%) in
excess of the discount rate on ninety day commercial paper
in effect at the federal reserve bank in the ninth federal
reserve district at the date the loan is executed and such
interest shall be allowed, according to the terms of the
agreement, until the entry of judgment, on loans in excess
of one million dollars (\$1,000,000) parties may agree in
writing to the payment of any rate of interest, without

LIMITATION."

SECTION 2. THIS ACT IS EFFECTIVE ON ITS PASSAGE AND

APPROVAL:

"47-125. Same -- any rate not exceeding ten per cent
allowed by agreement -- LIMITATIONS AS TO CERTAIN LOANS.
Parties may agree in writing for the payment of any rate of
interest not exceeding the rate of ten per cent per annum
NOT EXCEEDING THE RATE OF TWELVE AND ONE-HALF PERCENT
(12-1/2%) PER ANNUM ON LOANS LESS THAN FIFTY THOUSAND
DOLLARS (\$50,000), FIFTEEN PERCENT (15%) ON LOANS IN EXCESS
OF FIFTY THOUSAND DOLLARS (\$50,000) AND NOT EXCEEDING ONE
MILLION DOLLARS (\$1,000,000) FIVE HUNDRED THOUSAND
(\$500,000), AND AS THE PARTIES MAY DESIGNATE ON LOANS IN
EXCESS OF ONE MILLION DOLLARS (\$1,000,000) FIVE HUNDRED
THOUSAND DOLLARS (\$500,000) and such interest shall be
allowed, according to the terms of the agreement, until the
entry of judgment."

SECTION 3. THIS ACT IS EFFECTIVE ON ITS PASSAGE AND
APPROVAL.

-End-