

CHAPTER NO. ~~532~~

HOUSE BILL NO. 176

INTRODUCED BY GERKE

BY REQUEST OF THE BOARD OF HOUSING

IN THE HOUSE

January 15, 1979	Introduced and referred to Committee on Business and Industry.
January 29, 1979	Committee recommend bill do pass. Report adopted.
January 30, 1979	Printed and placed on members' desks.
January 31, 1979	Second reading, do pass.
February 1, 1979	Considered correctly engrossed.
February 2, 1979	Third reading, passed. Transmitted to second house.

IN THE SENATE

February 3, 1979	Introduced and referred to Committee on State Administration.
March 22, 1979	Committee recommend bill be concurred in. Report adopted.
March 24, 1979	Second reading, concurred in.
March 27, 1979	Third reading, concurred in.

IN THE HOUSE

March 28, 1979	Returned from second house. Concurred in. Sent to enrolling. Reported correctly enrolled.
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A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE FOR THE SALE OF BONDS BY THE MONTANA BOARD OF HOUSING AT PRICES ABOVE OR BELOW PAR AND TO CLARIFY THE BOND DEBT LIMITATION AND INTEREST RATE; AMENDING SECTION 90-6-111, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 90-6-111, MCA, is amended to read:

"90-6-111. Bonds and notes. (1) The board may by resolution, from time to time, issue negotiable notes and bonds in a principal amount as the board determines necessary to provide sufficient funds for achieving any of its purposes, including the payment of interest on notes and bonds of the board, establishment of reserves to secure the notes and bonds, including the reserve funds created under 90-6-119, and all other expenditures of the board incident to and necessary or convenient to carry out this part.

(2) The board may by resolution, from time to time, issue notes to renew notes and bonds to pay notes, including interest, and whenever it deems refunding expedient, refund any bonds by the issuance of new bonds, whether the bonds to

be refunded have or have not matured, and issue bonds partly to refund bonds outstanding and partly for any of its other purposes.

(3) Except as otherwise expressly provided by resolution of the board, every issue of its notes and bonds shall be obligations of the board payable out of any revenues, assets, or moneys of the board, subject only to agreements with the holders of particular notes or bonds pledging particular revenues, assets, or moneys.

(4) The notes and bonds shall be authorized by resolutions of the board, shall bear a date and shall mature at times as the resolutions provide. A note shall not mature more than 10 years and a bond shall not mature more than 50 years from the date of its issue. The bonds may be issued as serial bonds payable in annual installments or as term bonds or as a combination thereof. The notes and bonds shall bear interest at a rate, or rates, in denominations, be in a form, either coupon or registered, carry registration privileges, be executed in a manner, be payable in a medium of payment, at places within or without the state, and be subject to terms of redemption as provided in resolutions. The notes and bonds of the board may be sold at public or private sale at such prices, which may be above or below par, as are determined by the board.

(5) The total amount of notes and bonds outstanding at

1 any one time, ~~except notes or bonds as to which the board's~~
2 ~~obligation has been satisfied and discharged by refunding or~~
3 ~~for which reserve for payment or other means of payment have~~
4 ~~been otherwise provided,~~ may not exceed \$75 million. The
5 maximum rate of interest on bonds ~~or notes~~ issued by the
6 board may not exceed ~~the--maximum-rate-for-revenue-bonds~~
7 ~~issued-by-political-subdivisions-as-provided-in-17-5-102 22~~
8 ~~per annum. The--notes--and-bonds-may-not-be-sold-for-less~~
9 ~~than-par."~~

10 NEW SECTION. Section 2. Prior transactions not
11 impaired. Nothing herein affects or impairs any provision of
12 resolutions, indentures, loans, contracts, bonds, or notes
13 adopted, entered into, or issued before the effective date
14 of this act.

15 Section 3. Effective date. This act is effective on
16 passage and approval.

-End-

STATE OF MONTANA

REQUEST NO. 39-79

FISCAL NOTE

Form BD-15

In compliance with a written request received January 18, 19 79, there is hereby submitted a Fiscal Note for HB 176 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.

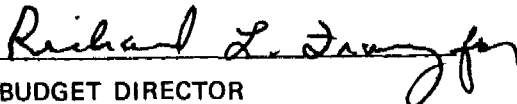
Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

Description of Proposed Legislation

An act to provide for the sale of bonds by the Montana Board of Housing at prices above or below par and to clarify the bond debt limitation and interest rate.

Fiscal Impact

None. The purpose of the proposed legislation is to make bonds of the Board more attractive to investors and thereby reduce interest rates.


BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1/22/79

Approved by Committee
on Business and Industry

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5 ~~maximum~~ rate of interest on bonds or notes issued by the
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7 ~~issued-by-political-subdivisions-as-provided-in-17-5-102 2%~~
8 per annum. ~~The--notes--and-bonds-may-not-be-sold-for-less~~
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-2- HB 176 THIRD READING

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5 ~~maximum~~ rate of interest on bonds or notes issued by the
6 board may not exceed ~~the maximum rate for revenue bonds~~
7 ~~issued by political subdivisions as provided in 17-5-102 2%~~
8 ~~per annum. The notes and bonds may not be sold for less~~
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