CHAPTER NO. 373

HOUSE BILL NO. 443

INTRODUCED BY FEDA, BRAND, DONALDSON, NATHE, ELLERD, PISTORIA

IN THE HOUSE

| January 29, 1979 | Introduced and referred to Committee on Judiciary. | | | |
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| February 2, 1979 | Committee recommend bill do pass. Report adopted. | | | |
| February 3, 1979 | Printed and placed on members' desks. | | | |
| February 5, 1979 | Second reading, do pass. | | | |
| February 6, 1979 | Considered correctly engrossed. | | | |
| February 7, 1979 | Third reading, passed. Transmitted to second house. | | | |
| IN THE SENATE | | | | |
| February 8, 1979 | Introduced and referred to Committee on Judiciary. | | | |
| March 3, 1979 | Committee recommend bill be concurred in as amended. Report adopted. | | | |
| March 6, 1979 | Second reading, concurred in. | | | |

March 9, 1979 Third reading, concurred in as amended.

IN THE HOUSE

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| March 10, 1979 | Returned from second house. Concurred in as amended. |
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| March 14, 1979 | Second reading, pass consideration. |

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March 16, 1979

March 17, 1979

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Second reading, amendments adopted.

Third reading, amendments adopted. Sent to enrolling.

Reported correctly enrolled.

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INTRODUCED BY Erela BILL NO. 443 Ellert Pritria 2 3 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT 4 INTEREST ON A JUDGHENT INVOLVING A CONTRACTUAL OBLIGATION 5 MUST BE PAID AT THE RATE SPECIFIED IN THE CONTRACTUAL 6 OBLIGATION; AMENDING SECTIONS 31-1-107 AND 31-1-110, MCA.* 7 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 9 Section 1. Section 31-1-110, MCA, is amended to read: 10 =31-1-110. Interest -- judgment. (1) Interest Except 11 as provided in subsection (2). interest is payable on

12 judgments recovered in the courts of this state at the rate 13 of 6% per annus and no greater rate. Such interest sust not 14 be compounded in any manner or form-15

(2) Interest on a judgment recovered in the courts of 16 17 this state involving a contractual obligation that specifies 18 an interest rate must be paid at the rate specified in the 19 contractual obligation."

Section 2. Section 31-1-107, HCA, is amended to read: za 21 "31-1-107. Interest rate allowed by agreement. (1) On amounts up to \$150,000, parties may agree in writing for the 22 23 payment of any rate of interest not more than 10% per annum or more than 4 percentage points in excess of the discount 24 rate on 90-day commercial paper in effect at the federal 25

1 reserve bank in the ninth federal reserve district. 2 whichever is greater, and such interest shall be allowedy 3 according to the terms of the agreementy-until-the-entry-of indesent.

5 (2) On amounts exceeding \$150,000 and up to \$300,000, parties may agree in writing for the payment of any rate of 7 interest not more than 10% per annum or more than 5 percentage points in excess of the discount rate on 90-day я a commercial paper in effect at the federal reserve bank in 10 the ninth federal reserve district, whichever is greater. and such interest shall be allowedy according to the terms 11 12 of the aureementy-until-the-entry-of-judgment. 13 (3) On amounts exceeding \$300,000, parties may agree 14 in writing to the payment of any rate of interest, without 15 limitation, and such interest shall be allowed, according to the terms of the agreement, -until-the-entry-of-ludement." 16

-End-

LC 0925/01

Approved by Committee on Judiciary

INTRODUCED BY File BILL NO. 443 1 2 Eller Pristoria 3 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT 4 INTEREST ON A JUDGMENT INVOLVING A CONTRACTUAL OBLIGATION 5 MUST BE PAID AT THE RATE SPECIFIED IN THE CONTRACTUAL 6 OBLIGATION: AMENDING SECTIONS 31-1-107 AND 31-1-110. MCA." 7 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 9

Section 1. Section 31-1-110, NCA, is amended to read: 10 #31-1-110. Interest -- judgment. [1] Interest Except 11 as provided in subsection (2). interest is payable on 12 judgments recovered in the courts of this state at the rate 13 of 6% per annum and no greater rate. Such interest must not 14 be compounded in any manner or form. 15

(2) Interest on a judgment recovered in the courts of 16 17 this state involving a contractual obligation that specifies 18 an interest rate must be paid at the rate specified in the contractual obligation.* 19

Section 2. Section 31-1-107. MCA. is amended to read: 20 21 *31-1-107. Interest rate allowed by agreement. (1) On 22 amounts up to \$150,000, parties may agree in writing for the payment of any rate of interest not more than 10% per annum 23 or more than 4 percentage points in excess of the discount 24 rate on 90-day commercial paper in effect at the federal 25

1 reserve bank in the ninth federal reserve district. 2 whichever is greater, and such interest shall be allowedy 3 according to the terms of the agreementy-until-the-entry--of indesent.

5 (2) On amounts exceeding \$150,000 and up to \$300,000, parties may agree in writing for the payment of any rate of 6 interest not more than 10% per annum or more than 5 7 percentage points in excess of the discount rate on 90-day 8 9 commercial paper in, effect at the federal reserve bank in the ninth federal reserve district, whichever is greater. 10 11 and such interest shall be allowedy according to the terms of the agreementy-until-the-entry-of-judgment. 12 (3) On amounts exceeding \$300,000, parties may agree 13

14 in writing to the payment of any rate of interest, without 15 limitation, and such interest shall be allowed, according to 34

the terms of the agreementy-until-the-entry-of-iudoment."

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HE 443 -2-READING SECOND

46th Legislature

LC 0925/01

INTRODUCED BY Fride Brend Doraldon NATHa 1 2 Eller Pritoria 3 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT 4 INTEREST ON A JUDGMENT INVOLVING A CONTRACTUAL OBLIGATION 5 MUST BE PAID AT THE RATE SPECIFIED IN THE CONTRACTUAL 6 OBLIGATION; AMENDING SECTIONS 31-1-107 AND 31-1-110, MCA.* 7 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NONTANA: 9 Section 1. Section 31-1-110, MCA, is amended to read: 10

10 Section 1. Section 31-1-110, where is amended to read-11 #31-1-110. Interest -- judgment. [1] interest Example 12 as provided in subsection (21s, interest is payable on 13 judgments recovered in the courts of this state at the rate 14 of 6% per annum and no greater rate. Such interest must not 15 be compounded in any manner or form.

16 <u>(2) Interest on a judgment recovered in the courts of</u> 17 this state involving a contractual obligation that specifies

18 an interest rate must be paid at the rate specified in the

19 contractual obligations*

20 Section 2. Section 31-1-107, MCA, is amended to read: 21 "31-1-107. Interest rate allowed by agreement. (1) On 22 amounts up to \$150,000, parties may agree in writing for the 23 payment of any rate of interest not more than 10% per annum 24 or more than 4 percentage points in excess of the discount 25 rate on 90-day commercial paper in effect at the federal reserve bank in the ninth federal reserve district+
whichever is greater, and such interest shall be allowedy
according to the terms of the agreementy until the entry of

judgment.

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5 (2) On amounts exceeding \$150,000 and up to \$300,000; parties may agree in writing for the payment of any rate of ٠ interest not more than 10% per annum or more than 5 7 percentage points in excess of the discount rate on 90-day 8 commercial paper in effect at the federal reserve bank in 10 the ninth federal reserve district, whichever is greater, 11 and such interest shall be allowedy according to the terms of the agreementy-until-the-entry-of-judgment. 12 13 (3) On amounts exceeding \$300,000, parties may agree in writing to the payment of any rate of interest, without 14 15 limitation, and such interest shall be allowed, according to the terms of the agreement,-until-the-entry-of-judgment." 16

-End-

-2- H 13443 THIRD READING

LC 0925/01

46th Legislature

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HB 0443/02

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| 1 | HOUSE BILL ND. 443 | 1 |
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| 2 | INTRODUCED BY FEDA, BRAND, DONALDSON, NATHE, | 2 |
| 3 | ELLERD, PISTORIA | 3 |
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| 5 | A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT | 5 |
| 6 | INTEREST ON A JUDGMENT INVOLVING A CONTRACTUAL OBLIGATION | 6 |
| 7 | MUST BE PAID AT THE RATE SPECIFIED IN THE CONTRACTUAL | 7 |
| 8 | OBLIGATION; AMENDING SECTIONS 31-1-107 AND 31-1-110, MCA." | 8 |
| 9 | | 9 |
| 10 | BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: | 10 |
| 11 | Section 1. Section 31-1-110, MCA, is amended to read: | 11 |
| 12 | "31-1-110。 Interest judgment. <u>[1] Interest Except</u> | 12 |
| 13 | as provided in subsection [2]: interest is payable on | 13 |
| 14 | judgments recovered in the courts of this state at the rate | 14 |
| 15 | of 6% per annum and no greater rate. Such interest must not | 15 |
| 16 | be compounded in any manner or form. | 16 |
| 17 | (2) Interest on a judgment recovered in the courts of | 17 |
| 18 | <u>this state involving a contractual obligation that specifies</u> | 18 |
| 19 | an interest rate must be paid at the rate specified in the | 19 |
| 20 | <u>contractual_obligations"</u> | |
| 21 | Section 2. Section 31-1-107, MCA, is amended to read: | |
| 22 | "31-1-107。 Interest rate allowed by agreement. (1) On | |
| 23 | amounts up to \$150,000, parties may agree in writing for the | |
| 24 | payment of any rate of interest not more than 10% per annum | |
| 25 | or more than 4 percentage points in excess of the discount | |

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1 rate on 90-day commercial paper in effect at the federal 2 reserve bank in the ninth federal reserve districts 3 whichever is greater, and such interest shall be allowedy 4 according to the terms of the agreementy-until-the-entry--of 5 judgment.

6 (2) On amounts exceeding \$150+000 and up to \$300+000+ 7 parties may agree in writing for the payment of any rate of 8 interest not more than 10% per annum or more than 5 9 percentage points in excess of the discount rate on 90-day 0 commercial paper in effect at the federal reserve bank in 1 the ninth federal reserve district, whichever is greater, 2 and such interest shall be allowedy according to the terms 3 of the agreementy-until-the-entry-of-judgment. 4 (3) On amounts exceeding \$300+000, parties may agree 5 in writing to the payment of any rate of interest, without 6 limitation, and such interest shall be allowedy according to 8 SECTION 3...APPLICATION....THIS_ACT_APPLIES_ONLY_TO 9 JUDGMENTS_ENTERED_AFTER_JUNE_30..1979a

-End-

-2-

REFERENCE BILL

HB 443

SENATE STANDING COMMITTEE REPORT (Judiciary)

That House Bill No. 443 be amended as follows:

1. Page 2.

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Insert: "Section 3. Application. This act applies only to judgments entered after June 30, 1979."