

CHAPTER NO. 362

HOUSE BILL NO. 514

INTRODUCED BY RAMIREZ, PORTER

IN THE HOUSE

February 1, 1979	Introduced and referred to Committee on Judiciary.
February 7, 1979	Committee recommend bill do pass. Report adopted.
February 8, 1979	Printed and placed on members' desks.
February 9, 1979	Second reading, do pass.
February 10, 1979	Considered correctly engrossed.
February 12, 1979	Third reading, passed. Transmitted to second house.

IN THE SENATE

February 13, 1979	Introduced and referred to Committee on Judiciary.
March 7, 1979	Committee recommend bill be concurred in as amended. Report adopted.
March 9, 1979	Second reading, concurred in.
March 13, 1979	Third reading, concurred in as amended.

IN THE HOUSE

March 14, 1979	Returned from second house. Concurred in as amended.
March 16, 1979	Second reading, amendments adopted.
March 17, 1979	Third reading, amendments adopted. Sent to enrolling. Reported correctly enrolled.

1 House BILL NO. 514
 2 INTRODUCED BY Ramsey Jota
 3

4 A BILL FOR AN ACT ENTITLED: "AN ACT AFFIRMING THE VALIDITY
 5 OF DEEDS OF TRUST NOT INTENDED TO CONSTITUTE TRUST
 6 INDENTURES UNDER THE SMALL TRACT FINANCING ACT; PROVIDING
 7 THAT SUCH INSTRUMENTS ARE SUBJECT TO THE LAWS CONCERNING
 8 MORTGAGES AND WHEN RECORDED PROVIDE SUBSEQUENT PURCHASERS
 9 AND ENCUMBRANCERS WITH CONSTRUCTIVE NOTICE; AND PROVIDING AN
 10 EFFECTIVE DATE."

11
 12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

13 Section 1. Deeds of trust and trust deeds not
 14 invalidated. The Small Tract Financing Act of Montana does
 15 not invalidate or preclude the use in this state of
 16 instruments, sometimes denominated deeds of trust or trust
 17 deeds, which are not executed in conformity with Title 71,
 18 chapter 1, part 3, but in which a conveyance for security
 19 purposes is made to a trustee or trustees for the benefit of
 20 one or more lenders. Such instruments are considered to be
 21 mortgages and are subject to all laws relating to mortgages
 22 on real property. Every such instrument, recorded as
 23 prescribed by law, from the time it is filed for record is
 24 constructive notice of its contents to subsequent purchasers
 25 and encumbrancers.

1 Section 2. Effective date. This act is effective on
 2 passage and approval.

-End-

M. Jota
 INTRODUCED BILL

Approved by Committee
on Judiciary

1 House BILL NO. 514
2 INTRODUCED BY Ramsey Fata

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT AFFIRMING THE VALIDITY
5 OF DEEDS OF TRUST NOT INTENDED TO CONSTITUTE TRUST
6 INDENTURES UNDER THE SMALL TRACT FINANCING ACT; PROVIDING
7 THAT SUCH INSTRUMENTS ARE SUBJECT TO THE LAWS CONCERNING
8 MORTGAGES AND WHEN RECORDED PROVIDE SUBSEQUENT PURCHASERS
9 AND ENCUMBRANCERS WITH CONSTRUCTIVE NOTICE; AND PROVIDING AN
10 EFFECTIVE DATE."

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12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
13 Section 1. Deeds of trust and trust deeds not
14 invalidated. The Small Tract Financing Act of Montana does
15 not invalidate or preclude the use in this state of
16 instruments, sometimes denominated deeds of trust or trust
17 deeds, which are not executed in conformity with Title 71,
18 chapter 1, part 3, but in which a conveyance for security
19 purposes is made to a trustee or trustees for the benefit of
20 one or more lenders. Such instruments are considered to be
21 mortgages and are subject to all laws relating to mortgages
22 on real property. Every such instrument, recorded as
23 prescribed by law, from the time it is filed for record is
24 constructive notice of its contents to subsequent purchasers
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1 Section 2. Effective date. This act is effective on
2 passage and approval.

-End-

1 House BILL NO. 514
 2 INTRODUCED BY Ramsey Fota
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4 A BILL FOR AN ACT ENTITLED: "AN ACT AFFIRMING THE VALIDITY
 5 OF DEEDS OF TRUST NOT INTENDED TO CONSTITUTE TRUST
 6 INDENTURES UNDER THE SMALL TRACT FINANCING ACT; PROVIDING
 7 THAT SUCH INSTRUMENTS ARE SUBJECT TO THE LAWS CONCERNING
 8 MORTGAGES AND WHEN RECORDED PROVIDE SUBSEQUENT PURCHASERS
 9 AND ENCUMBRANCERS WITH CONSTRUCTIVE NOTICE; AND PROVIDING AN
 10 EFFECTIVE DATE."
 11

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

13 Section 1. Deeds of trust and trust deeds not
 14 invalidated. The Small Tract Financing Act of Montana does
 15 not invalidate or preclude the use in this state of
 16 instruments, sometimes denominated deeds of trust or trust
 17 deeds, which are not executed in conformity with Title 71,
 18 chapter 1, part 3, but in which a conveyance for security
 19 purposes is made to a trustee or trustees for the benefit of
 20 one or more lenders. Such instruments are considered to be
 21 mortgages and are subject to all laws relating to mortgages
 22 on real property. Every such instrument, recorded as
 23 prescribed by law, from the time it is filed for record is
 24 constructive notice of its contents to subsequent purchasers
 25 and encumbrancers.

1 Section 2. Effective date. This act is effective on
 2 passage and approval.

-End-

HB 514
 THIRD READING

1 HOUSE BILL NO. 514
2 INTRODUCED BY RAMIREZ, PORTER
3

4 A BILL FOR AN ACT ENTITLED: "AN ACT AFFIRMING THE VALIDITY
5 OF DEEDS OF TRUST ~~NOT--INTENDED--TO--CONSTITUTE~~ AND TRUST
6 INDENTURES ~~UNDER--THE--SMALL--TRACT--FINANCING--ACT~~; PROVIDING
7 THAT SUCH INSTRUMENTS ARE SUBJECT TO THE LAWS CONCERNING
8 MORTGAGES AND WHEN RECORDED PROVIDE SUBSEQUENT PURCHASERS
9 AND ENCUMBRANCERS WITH CONSTRUCTIVE NOTICE; AND PROVIDING AN
10 EFFECTIVE DATE."
11

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

13 Section 1. Deeds of trust and trust deeds not
14 invalidated. The Small Tract Financing Act of Montana does
15 not invalidate or preclude the use in this state of
16 instruments, sometimes denominated deeds of trust or, trust
17 deeds, ~~OR TRUST INDENTURES~~, which are not executed in
18 conformity with Title 71, chapter 1, part 3, but in which a
19 conveyance for security purposes is made to a trustee or
20 trustees for the benefit of one or more lenders. Such
21 instruments are considered to be mortgages and are subject
22 to all laws relating to mortgages on real property. Every
23 such instrument, recorded as prescribed by law, from the
24 time it is filed for record is constructive notice of its
25 contents to subsequent purchasers and encumbrancers.

1 Section 2. Effective date. This act is effective on
2 passage and approval.

-End-

March 7, 1979

SENATE STANDING COMMITTEE REPORT
(Judiciary)

That House Bill No. 514 be amended as follows:

1. Title, line 5.

Following: "OF TRUST"

Strike: "NOT INTENDED TO CONSTITUTE"

Insert: "AND"

2. Title, line 6.

Strike: "UNDER THE SMALL TRACT FINANCING ACT"

3. Page 1, line 16.

Following: "of trust"

Strike: "or"

Insert: ", "

4. Page 1, line 17.

Following: "deeds,"

Insert: "or trust indentures,"