

SENATE BILL NO. 144

INTRODUCED BY VAN VALKENBURG

BY REQUEST OF THE BOARD OF HOUSING

IN THE SENATE

January 17, 1979	Introduced and referred to Committee on State Administration.
January 18, 1979	Fiscal note requested.
January 24, 1979	Fiscal note returned.
January 26, 1979	Committee recommend bill do pass. Report adopted.
January 27, 1979	Printed and placed on members' desks.
January 29, 1979	Second reading, do pass.
January 30, 1979	Considered correctly engrossed.
January 31, 1979	Third reading, passed. Transmitted to second house.

IN THE HOUSE

February 1, 1979	Introduced and referred to Committee on State Administration.
March 2, 1979	Committee recommend bill be concurred in. Report adopted.
March 3, 1979	Second reading, concurred in.
March 6, 1979	Third reading, concurred in.

IN THE SENATE

March 7, 1979	Returned from second house. Concurred in. Sent to enrolling. Reported correctly enrolled.
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 3 BY REQUEST OF THE BOARD OF HOUSING
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5 A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY THE POWERS
 6 OF THE MONTANA BOARD OF HOUSING TO PROVIDE STAFF AND
 7 FACILITIES TO CARRY OUT ITS PROGRAMS; AMENDING SECTIONS
 8 2-15-1008, 90-6-112, AND 90-6-126, MCA; AND PROVIDING AN
 9 IMMEDIATE EFFECTIVE DATE."

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

12 Section 1. Section 90-6-112, MCA, is amended to read:
 13 "90-6-112. Provision of bond resolutions. A resolution
 14 authorizing any notes or bonds, or any issue thereof, may
 15 contain provisions, which shall be a part of the contract or
 16 contracts with the holders thereof, as to:

17 (1) pledging all or any part of the revenues or
 18 property of the board to secure the payment of the notes or
 19 bonds or of any issue thereof, subject to existing
 20 agreements with noteholders or bondholders;

21 (2) pledging all or any part of the assets of the
 22 board, including mortgages and obligations securing them, to
 23 secure the payment of the notes or bonds or of any issue
 24 thereof, subject to existing agreements with noteholders or
 25 bondholders;

1 (3) the use and disposition of the gross income from
 2 mortgages owned by the board and payment of principal of
 3 mortgages owned by the board;

4 (4) the setting aside of reserves of sinking funds in
 5 the hands of trustees, paying agents, and other depositories
 6 and the regulation and disposition thereof;

7 (5) limitations on the purpose to which the proceeds
 8 of sale of notes or bonds may be applied and the pledge of
 9 the proceeds to secure the payment of the notes or bonds or
 10 of any issue thereof;

11 (6) limitations on the issuance of additional notes or
 12 bonds, the terms upon which additional notes or bonds may be
 13 issued and secured, and the refunding of outstanding notes
 14 or bonds;

15 (7) the procedure, if any, by which the terms of any
 16 contract with noteholders or bondholders may be amended or
 17 abrogated, the amount of notes or bonds the holders of which
 18 must consent thereto, and the manner in which such consent
 19 may be given;

20 ~~(8) limitations on the amount of moneys to be expended~~
 21 ~~by the board for operating expenses of the board a~~
 22 ~~commitment to employ adequate and competent personnel at~~
 23 ~~such reasonable compensation, salaries, fees, and charges as~~
 24 ~~may be determined by the board in conjunction with the~~
 25 ~~department of administration and to maintain suitable~~

1 facilities and services for the purpose of carrying out its
2 programs;

3 (9) vesting in a trustee property, rights, powers, and
4 duties in trust as the board determines;

5 (10) defining the acts or omissions to act which shall
6 constitute a default in the obligations and duties of the
7 board to the holders of the notes or bonds and providing for
8 the rights and remedies of the holders of the notes or bonds
9 in the event of such default, including as a matter of right
10 the appointment of a receiver. Rights and remedies shall
11 not be inconsistent with the laws of the state and the other
12 provisions of this part; and

13 (11) any other matters of like or different character
14 which in any way affect the security or protection of the
15 holders of the notes or bonds."

16 Section 2. Section 90-6-126, MCA, is amended to read:

17 "90-6-126. Pledge ~~against impairment of contracts of~~
18 the state. In accordance with the constitutions of the
19 United States and the state of Montana the state pledges
20 that it will not in any way impair the obligations of any
21 agreement between the board and the holders of notes and
22 bonds issued by the board, including but not limited to an
23 agreement to administer a loan program financed by the
24 issuance of bonds and to employ a staff sufficient and
25 competent for this purpose."

1 Section 3. Section 2-15-1008, MCA, is amended to read:
2 "2-15-1008. Board of housing — allocation —
3 composition — quasi-judicial. (1) There is a board of
4 housing.

5 (2) The board consists of seven members appointed by
6 the governor as provided in 2-15-124. The members shall be
7 informed and experienced in housing, economics, or finance.

8 (3) The board shall elect a chairman and other
9 necessary officers.

10 (4) The board is designated a quasi-judicial board for
11 purposes of 2-15-124.

12 (5) The board is allocated to the department of
13 administration for administrative purposes only as provided
14 in 2-15-121.

15 (6) ~~The In compliance with the state pay plan, the~~
16 ~~department shall provide all necessary staff and services to~~
17 ~~the board as are determined by the board in conjunction with~~
18 ~~the department to be necessary for the purposes of carrying~~
19 ~~out the board's programs, and the department shall assess~~
20 the board for reasonable costs.

21 (7) A member of the board shall not be deemed to have
22 a conflict of interest under the provisions of 2-2-201
23 merely because the member is a stockholder, officer, or
24 employee of a lending institution who may participate in the
25 board's programs."

LC 0715/01

1 Section 4. Prior transactions not impaired. Nothing
2 herein shall affect or impair any provision of resolutions,
3 indentures, loans, contracts, bonds, or notes adopted,
4 entered into, or issued before the effective date of this
5 act.

6 Section 5. Effective date. This act is effective on
7 passage and approval.

-End-

STATE OF MONTANA

Request No. 37-79

FISCAL NOTE

Form BD-15

In compliance with a written request received January 18, 1979, there is hereby submitted a Fiscal Note for Senate Bill 144 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:

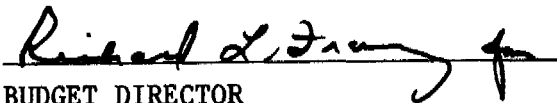
An act to clarify the powers of the Montana Board of Housing to provide staff and facilities to carry out its programs.

FISCAL IMPACT:

None.

TECHNICAL NOTES:

There is a potential conflict between the proposed legislation and Section 2-15-121, M.C.A.


BUDGET DIRECTOR
Office of Budget and Program Planning
Date: 1/24/79

Approved by Committee
on State Administration

BILL NO. 144

INTRODUCED BY

Sen. Van Valkenburg

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A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY THE POWERS OF THE MONTANA BOARD OF HOUSING TO PROVIDE STAFF AND FACILITIES TO CARRY OUT ITS PROGRAMS; AMENDING SECTIONS 2-15-1008, 90-6-112, AND 90-6-126, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 90-6-112, MCA, is amended to read:

"90-6-112. Provision of bond resolutions. A resolution authorizing any notes or bonds, or any issue thereof, may contain provisions, which shall be a part of the contract or contracts with the holders thereof, as to:

(1) pledging all or any part of the revenues or property of the board to secure the payment of the notes or bonds or of any issue thereof, subject to existing agreements with noteholders or bondholders;

(2) pledging all or any part of the assets of the board, including mortgages and obligations securing them, to secure the payment of the notes or bonds or of any issue thereof, subject to existing agreements with noteholders or bondholders;

(3) the use and disposition of the gross income from mortgages owned by the board and payment of principal of mortgages owned by the board;

(4) the setting aside of reserves of sinking funds in the hands of trustees, paying agents, and other depositories and the regulation and disposition thereof;

(5) limitations on the purpose to which the proceeds of sale of notes or bonds may be applied and the pledge of the proceeds to secure the payment of the notes or bonds or of any issue thereof;

(6) limitations on the issuance of additional notes or bonds, the terms upon which additional notes or bonds may be issued and secured, and the refunding of outstanding notes or bonds;

(7) the procedure, if any, by which the terms of any contract with noteholders or bondholders may be amended or abrogated, the amount of notes or bonds the holders of which must consent thereto, and the manner in which such consent may be given;

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2 programs;

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6 constitute a default in the obligations and duties of the
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8 the rights and remedies of the holders of the notes or bonds
9 in the event of such default, including as a matter of right
10 the appointment of a receiver. Rights and remedies shall
11 not be inconsistent with the laws of the state and the other
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1 Section 3. Section 2-15-1008, MCA, is amended to read:
2 "2-15-1008. Board of housing -- allocation --
3 composition -- quasi-judicial. (1) There is a board of
4 housing.

5 (2) The board consists of seven members appointed by
6 the governor as provided in 2-15-124. The members shall be
7 informed and experienced in housing, economics, or finance.

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9 necessary officers.

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11 purposes of 2-15-124.

12 (5) The board is allocated to the department of
13 administration for administrative purposes only as provided
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15 (6) ~~The~~ In compliance with the state pay plan, the
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17 the board as are determined by the board in conjunction with
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20 the board for reasonable costs.

21 (7) A member of the board shall not be deemed to have
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SB 0144/02

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