

SENATE JOINT RESOLUTION NO. 4

INTRODUCED BY TOWE, MANNING, MATHERS, SEVERSON, ROSKIE

BY REQUEST OF THE COAL TAX OVERSIGHT COMMITTEE

IN THE SENATE

January 18, 1979	Introduced and referred to Committee on Taxation.
January 29, 1979	Fiscal note requested.
February 2, 1979	Fiscal note returned.
February 16, 1979	Committee recommend bill do pass. Report adopted.
February 17, 1979	Printed and placed on members' desks.
February 19, 1979	Second reading, do pass.
February 20, 1979	Considered correctly engrossed.
February 21, 1979	Third reading, passed. Transmitted to second house.

IN THE HOUSE

February 22, 1979	Introduced and referred to Committee on Taxation.
April 11, 1979	Committee recommend bill be concurred in. Report adopted.
April 12, 1979	Second reading, concurred in.
April 16, 1979	Third reading, concurred in.

IN THE SENATE

April 16, 1979	Returned from second house. Concurred in. Sent to enrolling. Reported correctly enrolled.
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1 *Senate* JOINT RESOLUTION NO. 4
 2 INTRODUCTION BY *Don Manning Mark Severson*
 3 BY REQUEST OF THE COAL TAX OVERSIGHT COMMITTEE *Lochie*

4
 5 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF
 6 REPRESENTATIVES OF THE STATE OF MONTANA URGING THE BOARD OF
 7 INVESTMENTS TO PARTICIPATE WITH THE FARMERS HOME
 8 ADMINISTRATION IN FARM OWNERSHIP LOANS.

9 WHEREAS, agriculture is the backbone of Montana's
 10 economy and a vital element of the state's political and
 11 social well-being; and

12 WHEREAS, many Montanans desiring to begin a ranching or
 13 farming operation are prevented by the rapidly accelerating
 14 costs of agricultural land and equipment and by the lack of
 15 capital for farm ownership loans and the high interest
 16 thereon; and

17 WHEREAS, the Farmers Home Administration is an
 18 important source of farm ownership loans for Montanans
 19 entering agriculture; and

20 WHEREAS, the Farmers Home Administration is limited, by
 21 its lack of funds, in the number of farm ownership loans it
 22 can make and Montana applicants must wait up to 2 years for
 23 loans; and

24 WHEREAS, the Farmers Home Administration seeks state
 25 agencies to participate in making farm ownership loans; and

1 WHEREAS, these participation loans are very secure in
 2 that the participating agency holds the first mortgage; and

3 WHEREAS, these participation loans are a trouble-free
 4 investment because Farmers Home Administration staff
 5 evaluates and services the loan; and

6 WHEREAS, these loans offer an interest rate equal to
 7 many investments currently held by the Board of Investments;
 8 and

9 WHEREAS, Montana statutes allow the Board of
 10 Investments to invest most state funds under its management
 11 in first mortgages and participations in first mortgages on
 12 unencumbered real property; and

13 WHEREAS, the Board of Investments currently invests
 14 state funds in mortgages on residential property but not in
 15 mortgages on agricultural land.

16
 17 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE
 18 OF REPRESENTATIVES OF THE STATE OF MONTANA:

19 That the Legislature urges the Board of Investments to
 20 actively seek participation agreements with the Farmers Home
 21 Administration and invest part of the state funds under its
 22 management in farm ownership loans that will give the state
 23 a first lien on the real estate.

24 BE IT FURTHER RESOLVED, that the Legislature urges the
 25 Board of Investments to expedite its review of such

1 investments in view of their secure nature.

2 BE IT FURTHER RESOLVED, that the Legislature requests
3 the Board of Investments to report annually to the
4 Legislature on the number and amount of participation loans
5 for farm ownership it has made during the preceding year.

6 BE IT FURTHER RESOLVED, that the Secretary of State
7 send copies of this resolution to the Governor and the
8 members of the Board of Investments.

-End-

STATE OF MONTANA

Request No. 167-79

FISCAL NOTE

Form BD-15

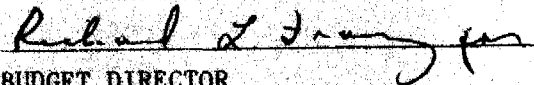
In compliance with a written request received January 29, 1979, there is hereby submitted a Fiscal Note for Senate Joint Resolution #4 pursuant to Chapter 53, Laws of Montana 1965 - Thirty-Ninth Legislative Assembly. Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

A joint resolution urging the Board of Investments to invest in farm ownership loans.

FISCAL IMPACT:

No fiscal impact can be estimated because the Board of Investments has never been offered the type of investments described.


BUDGET DIRECTOR
Office of Budget and Program Planning
Date: 2/2/79

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SJR 4

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