

SENATE BILL NO. 90

INTRODUCED BY GOODOVER, FABREGA, NORDTVEDT, ELLIOTT,
JOHNSON, J. O'HARA, LEE, RYAN, HAMMOND, S. BROWN,
McCALLUM, JACOBSON, HAGER, HEALY, MANLEY,
THOMAS, SEVERSON

BY REQUEST OF THE BOARD OF HOUSING

IN THE SENATE

January 10, 1981	Introduced and referred to Committee on Business and Industry.
January 28, 1981	Committee recommend bill do pass. Report adopted.
January 29, 1981	Bill printed and placed on members' desks.
January 30, 1981	Second reading, do pass.
January 31, 1981	Correctly engrossed.
February 2, 1981	Third reading, passed. Transmitted to House.

IN THE HOUSE

February 3, 1981	Introduced and referred to Committee on Business and Industry.
March 3, 1981	Committee recommend bill be concurred in. Report adopted.
March 4, 1981	Second reading, concurred in.
March 7, 1981	Third reading, concurred in. Yeas, 89; Nays, 3.

IN THE SENATE

March 7, 1981	Returned from House. Con- curred in. Sent to enrolling. Reported correctly enrolled.
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1 *Justice* BILL NO. 90 *Ellett*
 2 INTRODUCED BY *Barlow* *Wendrest*
 3 *Admission* BY REQUEST OF THE BOARD OF HOUSING *J. S. H. H.*
 4 *Lee Ryan* *Hammond* *Steve Brown*
 5 *McCallister* *Jacobson* *Hager* *Nealy*
 6 A BILL FOR AN ACT ENTITLED: *AN ACT TO REVISE THE RATE OF
 7 INTEREST ON BONDS AND NOTES ISSUED BY THE BOARD OF HOUSING;
 8 AMENDING SECTION 90-6-111, MCA; AND PROVIDING AN IMMEDIATE
 9 EFFECTIVE DATE."
 10 *Thomas*
 11 *Secretary*

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

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

12 "90-6-111. Bonds and notes. (1) The board may by
 13 resolution, from time to time, issue negotiable notes and
 14 bonds in a principal amount as the board determines
 15 necessary to provide sufficient funds for achieving any of
 16 its purposes, including the payment of interest on notes and
 17 bonds of the board, establishment of reserves to secure the
 18 notes and bonds, including the reserve funds created under
 19 90-6-119, and all other expenditures of the board incident
 20 to and necessary or convenient to carry out this part.

21 (2) The board may by resolution, from time to time,
 22 issue notes to renew notes and bonds to pay notes, including
 23 interest, and whenever it deems refunding expedient, refund
 24 any bonds by the issuance of new bonds, whether the bonds to
 25 be refunded have or have not matured, and issue bonds partly

1 to refund bonds outstanding and partly for any of its other
2 purposes.

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

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

24 (5) The total amount of notes and bonds outstanding at
 25 any one time, except notes or bonds as to which the board's

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1 obligation has been satisfied and discharged by refunding or
2 for which reserve for payment or other means of payment have
3 been otherwise provided, may not exceed \$375 million. The
4 rate of interest on bonds or notes issued by the board may
5 not exceed 9%--per-annum an interest rate equal to 1% less
6 than the interest rate established from time to time by the
7 U.S. department of housing and urban development (HUD),
8 federal housing administration (FHA). The interest rate
9 shall be determined for each issue of bonds or notes
10 according to the HUD/FHA rate in effect 30 days prior to the
11 sale of the bonds or notes."

12 Section 2. Saving clause. Nothing in this act affects
13 or impairs any provision of resolutions, indentures, loans,
14 contracts, bonds, or notes adopted, entered into, or issued
15 before the effective date of this act.

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

-End-

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