

SENATE BILL NO. 91

INTRODUCED BY GOODOVER, FABREGA, NORDTVEDT, LEE, ETCHART,
McCALLUM, HAMMOND, RYAN, O'HARA, S. BROWN, 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. Statement of Intent attached.
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 concurrred in. Report adopted.
March 4, 1981	Second reading, concurrred in.
March 7, 1981	Third reading, concurrred in. Yeas, 88; Nays, 8.

IN THE SENATE

March 7, 1981

Returned from House. Concurred
in. Sent to enrolling.

Reported correctly enrolled.

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Spate BILL NO. 91 *Ernst*
 INTRODUCED BY *Barlowe* *Falanga* *Wittbeck*
 BY REQUEST OF THE BOARD OF HOUSING *O'Hara*
McCallum *Hammoud* *Ryan* *Steve Brown*
Jacobson *Hager* *Nealy* *Marly*
 A BILL FOR AN ACT ENTITLED: "AN ACT TO INCREASE THE BOND
 DEBT LIMIT OF THE MONTANA BOARD OF HOUSING TO \$675 MILLION;
 AMENDING SECTION 90-6-111, MCA; AND PROVIDING AN IMMEDIATE
 EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 Section 1. Section 90-6-111, MCA, is amended to read:
 "90-6-111. Bonds and notes. (1) The board may by
 resolution, from time to time, issue negotiable notes and
 bonds in a principal amount as the board determines
 necessary to provide sufficient funds for achieving any of
 its purposes, including the payment of interest on notes and
 bonds of the board, establishment of reserves to secure the
 notes and bonds, including the reserve funds created under
 90-6-119, and all other expenditures of the board incident
 to and necessary or convenient to carry out this part.
 (2) The board may by resolution, from time to time,
 issue notes to renew notes and bonds to pay notes, including
 interest, and whenever it deems refunding expedient, refund
 any bonds by the issuance of new bonds, whether the bonds to
 be refunded have or have not matured, and issue bonds partly

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to refund bonds outstanding and partly for any of its other
 purposes.
 (3) Except as otherwise expressly provided by
 resolution of the board, every issue of its notes and bonds
 shall be obligations of the board payable out of any
 revenues, assets, or moneys of the board, subject only to
 agreements with the holders of particular notes or bonds
 pledging particular revenues, assets, or moneys.
 (4) The notes and bonds shall be authorized by
 resolutions of the board, shall bear a date and shall mature
 at times as the resolutions provide. A note shall not
 mature more than 10 years and a bond shall not mature more
 than 50 years from the date of its issue. The bonds may be
 issued as serial bonds payable in annual installments or as
 term bonds or as a combination thereof. The notes and bonds
 shall bear interest at a rate, or rates, be in
 denominations, be in a form, either coupon or registered,
 carry registration privileges, be executed in a manner, be
 payable in a medium of payment, at places within or without
 the state, and be subject to terms of redemption as provided
 in resolutions. The notes and bonds of the board may be sold
 at public or private sale at such prices, which may be above
 or below par, as are determined by the board.
 (5) The total amount of notes and bonds outstanding at
 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 ~~\$975~~ \$675 million.
4 The rate of interest on bonds or notes issued by the board
5 may not exceed 9% per annum."

6 Section 2. Saving clause. Nothing in this act affects
7 or impairs any provision of resolutions, indentures, loans,
8 contracts, bonds, or notes adopted, entered into, or issued
9 before the effective date of this act.

10 Section 3. Effective date. This act is effective on
11 passage and approval.

-End-

1 STATEMENT OF INTENT

2 SENATE BILL 91

3 Senate Business and Industry Committee

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5 A statement of intent was requested for this bill by
6 the Senate Committee on Business and Industry.

7 It is the intent of the legislature that SB 91 not
8 conflict with SB 90. The bills are not in apparent conflict
9 but both amend section 90-6-111. Both bills are effective
10 on passage and approval. It is the intent of the legislature
11 that should both SB 90 and SB 91 be enacted into law,
12 section 90-6-111 should read as follows:

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

22 (2) The board may by resolution, from time to time,
23 issue notes to renew notes and bonds to pay notes, including
24 interest, and whenever it deems refunding expedient, refund
25 any bonds by the issuance of new bonds, whether the bonds to

1 be refunded have or have not matured, and issue bonds partly
2 to refund bonds outstanding and partly for any of its other
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4 (3) Except as otherwise expressly provided by
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7 revenues, assets, or moneys of the board, subject only to
8 agreements with the holders of particular notes or bonds
9 pledging particular revenues, assets, or moneys.

10 (4) The notes and bonds shall be authorized by
11 resolutions of the board, shall bear a date and shall mature
12 at times as the resolutions provide. A note shall not
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18 denominations, be in a form, either coupon or registered,
19 carry registration privileges, be executed in a manner, be
20 payable in a medium of payment, at places within or without
21 the state, and be subject to terms of redemption as provided
22 in resolutions. The notes and bonds of the board may be sold
23 at public or private sale at such prices, which may be above
24 or below par, as are determined by the board.

25 (5) The total amount of notes and bonds outstanding at

1 any one time, except notes or bonds as to which the board's
2 obligation has been satisfied and discharged by refunding or
3 for which reserve for payment or other means of payment have
4 been otherwise provided, may not exceed \$675 million. The
5 rate of interest on bonds or notes issued by the board may
6 not exceed an interest rate equal to 1% less than the
7 interest rate established from time to time by the U.S.
8 department of housing and urban development (HUD), federal
9 housing administration (FHA). The interest rate shall be
10 determined for each issue of bonds or notes according to the
11 HUD/FHA rate in effect 30 days prior to the sale of the
12 bonds or notes."

13 First adopted by the Senate Business and Industry
14 Committee on the 28th day of January, 1981.

Approved by Committee
on Business and Industry

1 SENATE BILL NO. 91

2 INTRODUCED BY GOODOVER, FABREGA, NORDTVEOT, LEE, ETCHART,
3 McCALLUM, HAMMOND, RYAN, D'HARA, S. BROWN, JACOBSON,
4 HAGER, HEALY, MANLEY, THOMAS, SEVERSON
5 BY REQUEST OF THE BOARD OF HOUSING
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8 DEBT LIMIT OF THE MONTANA BOARD OF HOUSING TO \$675 MILLION;
9 AMENDING SECTION 90-6-111, MCA; AND PROVIDING AN IMMEDIATE
10 EFFECTIVE DATE."

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

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

14 "90-6-111. Bonds and notes. (1) The board may by
15 resolution, from time to time, issue negotiable notes and
16 bonds in a principal amount as the board determines
17 necessary to provide sufficient funds for achieving any of
18 its purposes, including the payment of interest on notes and
19 bonds of the board, establishment of reserves to secure the
20 notes and bonds, including the reserve funds created under
21 90-6-119, and all other expenditures of the board incident
22 to and necessary or convenient to carry out this part.

23 (2) The board may by resolution, from time to time,
24 issue notes to renew notes and bonds to pay notes, including
25 interest, and whenever it deems refunding expedient, refund

1 any bonds by the issuance of new bonds, whether the bonds to
2 be refunded have or have not matured, and issue bonds partly
3 to refund bonds outstanding and partly for any of its other
4 purposes.

5 (3) Except as otherwise expressly provided by
6 resolution of the board, every issue of its notes and bonds
7 shall be obligations of the board payable out of any
8 revenues, assets, or moneys of the board, subject only to
9 agreements with the holders of particular notes or bonds
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11 (4) The notes and bonds shall be authorized by
12 resolutions of the board, shall bear a date and shall mature
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23 in resolutions. The notes and bonds of the board may be sold
24 at public or private sale at such prices, which may be above
25 or below par, as are determined by the board.

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1 (5) The total amount of notes and bonds outstanding at
2 any one time, except notes or bonds as to which the board's
3 obligation has been satisfied and discharged by refunding or
4 for which reserve for payment or other means of payment have
5 been otherwise provided, may not exceed ~~\$375~~ \$675 million.
6 The rate of interest on bonds or notes issued by the board
7 may not exceed 9% per annum."

8 Section 2. Saving clause. Nothing in this act affects
9 or impairs any provision of resolutions, indentures, loans,
10 contracts, bonds, or notes adopted, entered into, or issued
11 before the effective date of this act.

12 Section 3. Effective date. This act is effective on
13 passage and approval.

-End-

1 STATEMENT OF INTENT

2 SENATE BILL 91

3 Senate Business and Industry Committee

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5 A statement of intent was requested for this bill by
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10 determined for each issue of bonds or notes according to the
11 HUD/FHA rate in effect 30 days prior to the sale of the
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13 First adopted by the Senate Business and Industry
14 Committee on the 28th day of January, 1981.

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SB 0091/02

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