

SENATE BILL NO. 165

INTRODUCED BY MCCALLUM

BY REQUEST OF THE DEPARTMENT OF STATE LANDS

IN THE SENATE

JANUARY 21, 1987 INTRODUCED AND REFERRED TO COMMITTEE
ON STATE ADMINISTRATION.

JANUARY 27, 1987 COMMITTEE RECOMMEND BILL
DO PASS. REPORT ADOPTED.

JANUARY 28, 1987 PRINTING REPORT.

JANUARY 30, 1987 SECOND READING, DO PASS.

JANUARY 31, 1987 ENGROSSING REPORT.

FEBRUARY 2, 1987 THIRD READING, PASSED.

TRANSMITTED TO HOUSE.

IN THE HOUSE

FEBRUARY 4, 1987 INTRODUCED AND REFERRED TO COMMITTEE
ON STATE ADMINISTRATION.

MARCH 4, 1987 COMMITTEE RECOMMEND BILL BE
CONCURRED IN. REPORT ADOPTED.

MARCH 5, 1987 SECOND READING, CONCURRED IN.

MARCH 6, 1987 THIRD READING, CONCURRED IN.
AYES, 94; NOES, 0.

RETURNED TO SENATE.

IN THE SENATE

MARCH 7, 1987 RECEIVED FROM HOUSE.

SENT TO ENROLLING.

1 Senate BILL NO. 165
 2 INTRODUCED BY McCallum
 3 BY REQUEST OF THE DEPARTMENT OF STATE LANDS
 4

5 A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW THE BOARD OF
 6 LAND COMMISSIONERS TO REVIEW INTEREST RATES FOR FUTURE
 7 CONTRACTS FOR SALE OF STATE LANDS MORE OFTEN THAN ONCE A
 8 YEAR; AMENDING SECTION 77-2-329, MCA; AND PROVIDING AN
 9 IMMEDIATE EFFECTIVE DATE."
 10

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

12 Section 1. Section 77-2-329, MCA, is amended to read:
 13 "77-2-329. Terms of payment. (1) Every purchaser of
 14 state land shall pay on the day of sale that portion of the
 15 purchase price as he may desire, but in no case less than
 16 10% of the total sales price. In case the balance on the
 17 purchase price is not an exact multiple of \$25, then he
 18 shall pay such additional sum as is necessary to reduce the
 19 balance to an even multiple of \$25.

20 (2) The balance of the purchase price shall draw
 21 interest at the rate set by the board, but in no instance
 22 shall the rate be less than 5% per year, payable annually,
 23 and the balance of the purchase price itself shall be
 24 payable through a period of 33 years on the amortization
 25 plan. This plan is defined as being that plan under which

1 part of the principal is required to be paid each time
 2 interest becomes due and payable and under which this part
 3 payment on the principal increases at each succeeding
 4 installment in the same amount that the interest payment
 5 decreases so that the combined amount due on principal and
 6 interest on each due date remains the same until the loan or
 7 bond is paid in full. However, the amount of the last
 8 installment may vary from the other installments to the
 9 extent resulting from disregarding fractional cents in the
 10 previous installments. The balance of the purchase price on
 11 town and city lots shall be payable on the amortization plan
 12 through a period of 20 years, but the board may at any time
 13 fix a shorter period than 20 years for the payment of the
 14 balance on town and city lots. Different periods of time may
 15 be established for different towns and cities as the best
 16 interests of the state demand. The board shall annually
 17 review the interest rate prior to December 31 of each year
 18 and ~~fix the interest rate for all contracts to be entered~~
 19 ~~into during the succeeding year.~~ may review the interest
 20 rate at any time the board determines such review is
 21 necessary. The interest rate fixed by the board applies to
 22 all contracts entered into until the board fixes a different
 23 interest rate."

24 NEW SECTION. Section 2. Extension of authority. Any
 25 existing authority of the board of land commissioners to

LC 0863/01

1 make rules on the subject of the provisions of this act is
2 extended to the provisions of this act.

3 NEW SECTION. Section 3. Effective date. This act is
4 effective on passage and approval.

-End-

APPROVED BY COMMITTEE
ON STATE ADMINISTRATION

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20 (2) The balance of the purchase price shall draw
21 interest at the rate set by the board, but in no instance
22 shall the rate be less than 5% per year, payable annually,
23 and the balance of the purchase price itself shall be
24 payable through a period of 13 years on the amortization
25 plan. This plan is defined as being that plan under which

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