

SENATE JOINT RESOLUTION NO. 15

INTRODUCED BY HAMMOND, BOYLAN, KOLSTAD, COMPTON,
LYBECK, HIRSCH, MANNING, B. WILLIAMS, JERGESON, WEEDING,
PINSONEAULT, YELLOWTAIL, NEUMAN, VAN VALKENBURG,
ABRAMS, WALKER, E. SMITH, TVEIT, MCCALLUM, AKLESTAD,
FARRELL, GAGE, HARDING, MEYER, SEVERSON, HIMSL,
B. BROWN, CRIPPEN, KEATING, STORY, BECK, RASMUSSEN,
LYNCH, BLAYLOCK, NORMAN, HALLIGAN, MAZUREK, BENGTSON,
HAFFEY, ECK, REGAN, STIMATZ, JACOBSON, HOFMAN, ANDERSON,
THAYER, VAUGHN, MCLANE, GALT, BISHOP, HAGER

IN THE SENATE

MARCH 25, 1987

ON MOTION, RULES SUSPENDED TO ALLOW
INTRODUCTION OF SJR NO.15.

MARCH 26, 1987

INTRODUCED.

ON MOTION BY CHIEF SPONSOR, SENATORS
LYBECK, HIRSCH, MANNING, WILLIAMS,
JERGESON, WEEDING, PINSONEAULT, BECK,
YELLOWTAIL, NEUMAN, VAN VALKENBURG,
ABRAMS, WALKER, SMITH, TVEIT, HIMSL,
MCCALLUM, AKLESTAD, FARRELL, HARDING,
MEYER, GAGE, SEVERSON, BROWN, CRIPPEN,
KEATING, STORY, RASMUSSEN, BLAYLOCK,
LYNCH, NORMAN, HALLIGAN, MAZUREK, ECK,
BENGTSON, HAFFEY, REGAN, STIMATZ, GALT,
JACOBSON, HOFMAN, ANDERSON, THAYER,
VAUGHN, MCLANE, BISHOP, AND HAGER ADDED
AS SPONSORS.

SECOND READING, DO PASS.

ON MOTION, RULES SUSPENDED TO PLACE
SJR NO. 15 ON THIRD READING THIS DAY.

THIRD READING, PASSED.
AYES, 50; NOES, 0.

TRANSMITTED TO HOUSE.

IN THE HOUSE

MARCH 31, 1987

INTRODUCED AND REFERRED TO COMMITTEE
ON AGRICULTURE, LIVESTOCK & IRRIGATION.

APRIL 1, 1987

COMMITTEE RECOMMEND BILL BE
CONCURRED IN. REPORT ADOPTED.

APRIL 3, 1987

SECOND READING, CONCURRED IN.

ON MOTION, RULES SUSPENDED AND BILL
PLACED ON THIRD READING THIS DAY.

THIRD READING, CONCURRED IN.
AYES, 87; NOES, 3.

RETURNED TO SENATE.

IN THE SENATE

APRIL 6, 1987

RECEIVED FROM HOUSE.

SENT TO ENROLLING.

1 *Senate* JOINT RESOLUTION NO. *15*
 2 INTRODUCED BY *Hammond Boylan Kestel*
 3 *Compton*
 4 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF
 5 REPRESENTATIVES OF THE STATE OF MONTANA URGING CONGRESS TO
 6 RESTORE FINANCIAL STABILITY TO THE FARM CREDIT SYSTEM.

7
 8 WHEREAS, the ongoing crisis in the Farm Credit System
 9 has created great hardship for farm and ranch producers
 10 throughout the nation and especially in Montana, where
 11 borrowers have suffered loss of credit, delays and red tape,
 12 and exorbitant interest rates in excess of 13% for Federal
 13 Land Bank loans; and

14 WHEREAS, this crisis' most cruel manifestation has been
 15 the loss of borrower stock in four failed Production Credit
 16 Associations (PCA) in the 12th Farm Credit District, three
 17 of which were the Glendive, Milk River, and Western Montana
 18 PCAs in Montana; and

19 WHEREAS, this loss of members' stock in Montana, a
 20 total of \$13 million, has not only shaken and in many cases
 21 destroyed producer confidence in the Farm Credit System but
 22 has had a profound ripple effect on the entire economy of
 23 Montana, a state whose largest industry is agriculture; and

24 WHEREAS, the restoration of a sound, viable Farm Credit
 25 System of Land Banks and Production Credit Associations is

1 absolutely vital to any recovery of the agricultural
 2 economy; and

3 WHEREAS, the Farm Credit System's regulator, the Farm
 4 Credit Administration in Washington, D.C., has proven itself
 5 incapable of or unwilling to take any action to alleviate
 6 these problems but has contributed to the problem by tying
 7 the system banks in red tape and burdening the system with
 8 onerous and unnecessary regulations.

9
 10 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE
 11 OF REPRESENTATIVES OF THE STATE OF MONTANA:

12 That the Congress of the United States is urged to pass
 13 legislation to restore confidence and competence in the Farm
 14 Credit System by providing the necessary assistance to
 15 restore its financial stability, provide lower, competitive
 16 interest rates, restore the borrower stock lost in the
 17 failed PCAs, and institute a guaranty of borrower stock in
 18 the future so that this tragedy will never occur again.

19 BE IT FURTHER RESOLVED, that the Secretary of State
 20 send a copy of this resolution to each member of Montana's
 21 Congressional Delegation and to the Director of the Farm
 22 Credit Administration.

-End-

1 SENATE JOINT RESOLUTION NO. 15

2 INTRODUCED BY HAMMOND, BOYLAN, KOLSTAD, COMPTON,
 3 LYBECK, HIRSCH, MANNING, WALLIN, JERGESON, WEEDING,
 4 PINSONEAULT, YELLOWTAIL, NEUMAN, VAN VALKENBURG,
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