

## 1 HOUSE BILL NO. 56

2 INTRODUCED BY R. JOHNSON

3 BY REQUEST OF THE BOARD OF HOUSING

4  
5 A BILL FOR AN ACT ENTITLED: "AN ACT MODIFYING THE REVERSE ANNUITY MORTGAGE LOAN  
6 PROGRAM TO BETTER SERVE THE NEEDS OF ELDERLY HOMEOWNERS; GRANTING GREATER  
7 FLEXIBILITY TO THE BOARD OF HOUSING IN ESTABLISHING AGE AND PROPERTY ELIGIBILITY CRITERIA;  
8 AMENDING SECTION 90-6-503, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."  
9

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

11  
12 **Section 1.** Section 90-6-503, MCA, is amended to read:13 **"90-6-503. Definitions.** As used in this part, unless the context requires otherwise, the following  
14 terms apply:

15 (1) "Mortgage" means a mortgage as defined in 90-6-103.

16 (2) "Mortgagee" means the holder of a mortgage or its assignee.

17 (3) "Mortgagor" means a person:

18 (a) who is of lower income as determined by the board. In its determination of lower income, the  
19 board shall take into consideration the criteria in 90-6-103(16).20 (b) ~~68 years of age or older~~ who is of at least the minimum age established by the board in  
21 program guidelines;22 (c) who is the owner and occupant of a single-family dwelling ~~that is unencumbered by any prior~~  
23 ~~mortgage, lien, or pledge;~~ and

24 (d) who has completed a reverse annuity mortgage counseling program approved by the board.

25 (4) "Reverse annuity mortgage loan" means a loan in which loan proceeds are advanced to the  
26 mortgagor to provide a monthly tax-free cash payment for 10 years.27 (5) "Single-family dwelling" means a one- to four-family living unit, ~~excluding a condominium as~~  
28 ~~defined in 70-23-102."~~29  
30 **NEW SECTION. Section 2. Effective date.** [This act] is effective on passage and approval.

-END-

APPROVED BY COM ON  
BUSINESS & LABOR

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(b) ~~68 years of age or older who is of at least the minimum age established by the board in program guidelines~~ 68 YEARS OF AGE OR OLDER, EXCEPT AS PROVIDED ON A CASE-BY-CASE BASIS IN ACCORDANCE WITH PROGRAM GUIDELINES ESTABLISHED BY THE BOARD OF HOUSING;

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