

HOUSE BILL NO. 26

INTRODUCED BY T. WELCH

BY REQUEST OF THE DEPARTMENT OF COMMERCE

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING THE BOARD OF HOUSING TO SERVICE LOANS OTHER THAN THOSE MADE BY THE BOARD OF HOUSING IF REQUESTED BY A LENDER; AMENDING SECTION 90-6-104, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 90-6-104, MCA, is amended to read:

"90-6-104. General powers of the board. The board may:

(1) sue and be sued;

(2) have a seal;

(3) adopt all procedural and substantive rules necessary for the administration of this part, including but not limited to rules concerning its mortgage, loan servicing, construction, and temporary lending programs;

(4) make contracts, agreements, and other instruments necessary or convenient for the exercise of its powers under this part;

(5) enter into agreements or other transactions with any federal, state, or local governmental agency, any persons, and any domestic or foreign partnership, corporation, association, or organization in carrying out this part;

(6) enter into agreements under its rules with housing sponsors, mortgagors, or lending institutions for the purpose of regulating the analysis, planning, development, and management of housing developments financed in whole or in part by the proceeds of its loans, ~~or securities,~~ and or mortgage purchase programs or of loans serviced by the board;

(7) enter into agreements or other transactions with, and accept grants and the cooperation of, any governmental agency in furtherance of this part, including but not limited to the development, leasing, maintenance, operation, and financing of any housing development;

(8) accept services, appropriations, gifts, grants, bequests, and devises and ~~utilize~~ use or dispose of them in carrying out this part;



1 (9) consistent with the provisions of this part and any applicable contractual obligations, bid for,
 2 purchase, take possession of, hold, operate, manage, lease, sell, assign, transfer, encumber, mortgage,
 3 foreclose, release, relinquish, or otherwise acquire, deal with, or dispose of any real or personal property or any
 4 right, title, interest, claim, demand, or equity in any real or personal property, including but not limited to loans,
 5 notes, mortgages, contracts, instruments, rights of redemption, easements, and other rights under any law,
 6 mortgage, contract, or other agreement or easement therein by gift, purchase, transfer, foreclosure, lease, or
 7 otherwise; hold, sell, assign, lease, encumber, mortgage, or otherwise dispose thereof; hold, sell, assign, or
 8 otherwise dispose of any mortgage or loan owned by it or in its control or custody; release or relinquish any right,
 9 title, claim, interest, easement, or demand, however acquired, including any equity or right of redemption; do any
 10 of the foregoing by public or private sale, with or without public bidding as necessary or convenient in carrying
 11 out this part; commence

12 (10) take any action to protect or enforce rights or interests of the board or of the holders of its bonds,
 13 notes, or servicing contracts in any of the property described in subsection (9) any right conferred upon it by any
 14 law, mortgage, contract, or other agreement; bid for and purchase property at any foreclosure or other sale or
 15 acquire or take possession of it in lieu of foreclosure; and operate, manage, lease, dispose of, and otherwise deal
 16 with such property in any manner necessary or desirable to protect its interests and the holders of its bonds or
 17 notes and consistent with any agreement with such holders;

18 ~~(10)~~(11) service, and contract, and pay or receive payment for the servicing of loans SECURED BY
 19 PROPERTY IN MONTANA;

20 ~~(11)~~(12) provide general technical services in the analysis, planning, design, processing, construction,
 21 rehabilitation, and management of housing developments for persons and families of lower income ~~where~~
 22 whenever these services are not otherwise available;

23 ~~(12)~~(13) provide general consultative services to housing developments for persons and families of lower
 24 income and the residents ~~thereof~~ of those housing developments with respect to counseling and training in
 25 management, home ownership, and maintenance ~~where~~ whenever these services are not otherwise available;

26 ~~(13)~~(14) invest any funds not required for immediate use, subject to any agreements with its bondholders
 27 and noteholders, as provided in Title 17, chapter 6, except that all investment income from funds of the board less
 28 the cost for investment as prescribed by law must be deposited in the housing authority enterprise fund;

29 ~~(14)~~(15) sell its loans or securities to the federal national mortgage association or any other agency or
 30 instrumentality of the United States and invest in the capital stock issued by the association or other agency or

1 instrumentality to the extent, if any, required as a condition of the sale;

2 ~~(15)(16)~~ consent, whenever ~~it considers it~~ the board determines that it is necessary or desirable in
 3 ~~fulfilling to fulfill~~ its purposes, to the modification of the rate of interest, time, and payment of any installment of
 4 principal or interest, security, or any other term of any contract, mortgage, mortgage loan, mortgage loan
 5 commitment, construction loan, advance contract, or agreement of any kind, subject to any agreement with
 6 bondholders, ~~and~~ noteholders, or other third parties;

7 ~~(16)(17)~~ collect reasonable interest, fees, and charges in connection with making and servicing ~~its~~ loans,
 8 notes, bonds, commitments, and other evidences of indebtedness and in connection with providing technical,
 9 consultative, and project assistance services. Interest fees and charges are limited to the amounts required to
 10 pay the costs of the board, including operating and administrative expenses and reasonable allowances for losses
 11 that may be incurred.

12 ~~(17)(18)~~ procure insurance against any loss in connection with ~~its~~ mortgages, ~~and~~ mortgage loans, ~~and~~
 13 ~~other assets or property, or other programs under this part~~ in amounts and from insurers as the board considers
 14 desirable or necessary;

15 ~~(18)(19)~~ act as agent for governmental agencies concerning acquisition, construction, leasing, operation,
 16 or management of a housing development;

17 ~~(19)(20)~~ issue notes and bonds and replace lost, destroyed, or mutilated notes and bonds; and

18 ~~(20)(21)~~ develop special programs for housing developments for veterans of the armed forces of the
 19 United States who are unable to acquire safe and sanitary housing through lending institutions by conventional
 20 means."

21

22 NEW SECTION. Section 2. Effective date. [This act] is effective on passage and approval.

23

- END -