Opinion No. 356.

State Insurance—Insurance—Explosion—Boiler Explosion.

HELD: Under the provisions of Section 173.2 R. C. M. 1935 (part of the State Insurance Law) the state must insure the public buildings of its political subdivisions and the contents of such buildings against direct loss by explosion (including steam boiler explosion), among other damaging or destructive things, and this without regard to its cause or the place of its origin.

September 25, 1936.

Hon. John J. Holmes
State Auditor
The Capitol

Your letter of September 15, is in part as follows:

"The contention has been made to the Montana Insurance Department that the department should not issue 'steam boiler explosion' coverage on steam boiler risks where the same are connected with political subdivision property being insured under the provisions of Chapter 179, Laws of 1935, commonly referred to as the State Insurance Fund Law. * * *

"Your opinion is respectfully requested as to whether or not the State Insurance Fund should write steam boiler explosion coverage on such political subdivision risks as present this type of hazard. In other words, where boilers are part and parcel of political subdivision property, does the mandatory coverage of 'explosion' provided for by Section 1 of the Act require that explosion coverage in all forms be written by the State Insurance Fund?"

Section 173.2, Revised Codes 1935 (section 1 of Chapter 179, Laws of 1935), provides "that all public buildings of this state and of each and every political subdivision thereof, and the contents of all such buildings * * * shall be insured by the state against all direct loss by fire, lightning, tornado, windstorm, cyclone, hail, explosion, flood and water damage."

The word "explosion" is used in the statute without limitation or qualification there or elsewhere. It must, therefore, be given its plain, ordinary meaning. (59 C. J. 975; 34 Montana and Pacific Dig. p. 840, sec. 188; McNair v. School District No. 1, 87 Mont. 423). According to Webster the term is defined thus: "Act of exploding; detonation; a violent bursting or expansion, with noise, following the sudden production of great pressure, as in the case of explosives, or a sudden release of pressure, as in the disruption of a steam boiler"; according to the New Century Dictionary it is defined thus: "The act of exploding; a violent expansion or bursting with noise, as of gunpowder or a boiler; any violent bursting forth"; and according to Funk and Wagnall's Standard Dictionary it is defined thus: "The act of exploding; rapid combustion, decomposition, or other similar process resulting in a great and sudden development of gases, and consequent violent increase of pressure, usually causing a loud report; a sudden breaking apart, shattering, or bursting in pieces by internal pressure, as that of gas or steam."

In the case of American Paper Products Co. v. Continental Insurance Co., 225 S. W. 1029, the court said: "Plaintiff would limit the meaning of the word 'explosion' to those cases caused by combustion or fire. But we think this is a narrow view of the word and is not the meaning generally given to the term 'explosion.' And it is admitted that in giving to it a meaning we must give to it its ordinary and accepted meaning. Of course, an explosion is frequently caused by combustion, but not necessarily so. Chemicals frequently explode and boilers explode by reason of terrific pressure of steam against the sides of the boiler. So this hot well exploded by reason of the terrific rush and pressure of hot water and steam into the confined space within it and coming into contact with the cold water therein * * *."

Under the provisions of Section 173.2, then, the state must insure the public buildings of its political subdivisions and the contents of such buildings against direct loss by explosion, among other damaging or destructive things, and this without regard to its cause or the place of its origin. In

fixing the premium to be charged the presence of a steam boiler in a public building should, of course, be considered, as the risk from explosion is thereby increased.