

1 *House* BILL NO. *686*  
 2 *County* INTRODUCED BY *M. J. A. Quinn, J. P. H. Hamilton*  
 3 *M. J. A. Quinn, J. P. H. Hamilton*  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO REQUIRE THE

1 October 1, 1978.

-End-

5 DEPARTMENT OF COMMUNITY AFFAIRS TO STUDY AND REPORT ON THE  
 6 FEASIBILITY AND ADVISABILITY OF INSTITUTING AN INSURANCE  
 7 PROGRAM TO INSURE AGAINST CERTAIN RISKS DUE TO SEEPAGE OF  
 8 SUBSURFACE WATER INTO BUILDINGS."

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

11 Section 1. Study of subsurface water seepage  
 12 insurance. (1) The department of community affairs shall  
 13 study and report to the legislature on the feasibility and  
 14 advisability of implementing an insurance program to insure  
 15 against certain risks due to seepage of subsurface water  
 16 into buildings.

17 (2) The insurance program shall cover only those risks  
 18 which are not insurable with private carriers or under the  
 19 national flood insurance program.

20 (3) The department shall consider the possibility of  
 21 instituting a program similar to the present hail insurance  
 22 program provided for in Title 82, chapter 15, as well as  
 23 other alternatives.

24 (4) Any legislation necessary to implement such an  
 25 insurance program and the report shall be prepared prior to

INTRODUCED BILL

HB 686

STATE OF MONTANA

REQUEST NO. 379-77

FISCAL NOTE

Form BD-15

In compliance with a written request received February 7, 19 77, there is hereby submitted a Fiscal Note for House Bill 686 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

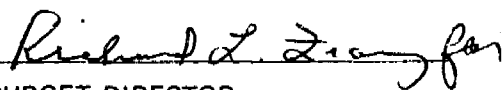
House Bill 686 requires the Department of Community Affairs to conduct a study and report on the feasibility and advisability of establishing an insurance program to insure owners of property against certain risks caused by seepage of subsurface water into buildings. The insurance program would cover those risks which are not insurable with private carriers or under federal flood insurance programs.

ASSUMPTION:

The study would take approximately two man months to complete.

FISCAL IMPACT:

	<u>FY78</u>
Personal Services	\$2,700
Operating Expenses	<u>1,000</u>
Total cost of proposed study	<u>\$3,700</u>

  
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-11-77