

HB 628 INTRODUCED BY DEMARS, ET AL.
ALLOW STATE HAIL INSURANCE BOARD TO INCREASE HAIL
COVERAGE

2/05	INTRODUCED		
2/05	REFERRED TO AGRICULTURE, LIVESTOCK & IRRIGATION		
2/09	HEARING		
2/09	COMMITTEE REPORT--BILL PASSED		
2/11	2ND READING PASSED	91	4
2/12	3RD READING PASSED	97	2
	TRANSMITTED TO SENATE		
2/13	REFERRED TO AGRICULTURE, LIVESTOCK & IRRIGATION		
3/04	FISCAL NOTE REQUESTED		
3/10	FISCAL NOTE RECEIVED		
3/13	HEARING		
3/31	TAKEN FROM COMMITTEE	27	22
4/02	2ND READING CONCUR MOTION FAILED	19	31
4/02	2ND READING INDEFINITELY POSTPONED	28	22
4/03	RETURNED TO HOUSE NOT CONCURRED		

1 House BILL NO. 628
 2 INTRODUCED BY DeMars Cody M. Williams
 3 Jenkins Heise Brans Buller Levy Poff Maguire
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW THE BOARD OF State
 5 HAIL INSURANCE TO INCREASE THE AMOUNT OF COVERAGE FOR CROPS Insurance
 6 INSURED UNDER THE STATE HAIL INSURANCE PROGRAM; AMENDING 5/20/01
 7 SECTIONS 80-2-208 AND 80-2-244, MCA; AND PROVIDING AN Cobb
 8 IMMEDIATE EFFECTIVE DATE." GRW

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

10 Section 1. Section 80-2-208, MCA, is amended to read:
 11 "80-2-208. Maximum insurance. When the reserve fund is
 12 determined actuarially sound, as provided in 80-2-228, the
 13 board may write not more than ~~\$24~~ \$36 insurance on each acre
 14 of grain which is on nonirrigated land and not more than ~~\$48~~
 15 \$64 per acre on irrigated land. When more than one party
 16 desires hail insurance on the same crop, each party is
 17 entitled to the share of the maximum provided per acre as
 18 represented by his interest in the crop. Either party may
 19 insure his share in the crop for any amount up to and
 20 including the maximum per acre if the others waive their
 21 right to insure."

22 Section 2. Section 80-2-244, MCA, is amended to read:

23 "80-2-244. Payment of losses. (1) The board of hail
 24 insurance shall, as soon as practicable after the loss has
 25

1 been sustained, arrange for the payment of the loss in the
 2 following manner. From the amount of the loss as adjusted
 3 for each claimant, the board shall deduct the amount the
 4 claimant then owes as delinquent hail insurance tax and the
 5 maximum amount assessed as hail insurance tax for the
 6 current year.

7 (2) The board shall on or before November 1 order
 8 payment for the amount so deducted, which payment shall be
 9 remitted to the county treasurer of the county in which the
 10 tax was assessed. The board shall then order payment for the
 11 balance of the adjustment to be sent to the claimant,
 12 provided that in no case may the payment for loss exceed ~~\$24~~
 13 \$36 per acre for grain crops on nonirrigated lands, ~~\$48~~ \$64
 14 per acre on irrigated lands. No claimant may receive payment
 15 for any loss incurred where the loss does not equal or
 16 exceed 5% of the total value of the crop insured. If the
 17 losses in any year exceed the current levy plus the reserve,
 18 if any, then the payment of all losses shall be prorated,
 19 share and share alike, among all grain growers having loss
 20 claims adjusted and approved, and the unpaid balance of the
 21 losses shall be paid out of the reserve without interest in
 22 such order as the board directs, when in the judgment of the
 23 board there are sufficient moneys to provide for the payment
 24 of the same and other items payable out of the reserve. In
 25 any year the board may by resolution authorize its chairman



1 and secretary to borrow as needed from any person, bank, or
2 corporation such sum or sums of money as the board may
3 consider necessary for the purpose of paying all warrants as
4 issued.

5 (3) For any moneys borrowed under the provisions of
6 this part, the board shall cause warrants to be drawn. The
7 warrants shall bear interest at not to exceed 6% a year, and
8 the warrants and the interest thereon shall be paid out of
9 funds from the state hail insurance program as they are
10 collected from the various counties in the state. The board
11 may not at any time borrow a total sum greater than the
12 amount of levies as made for taxes for the current year
13 together with such delinquent taxes as remain unpaid on the
14 books of the county treasurer."

15 NEW SECTION. Section 3. Extension of authority. Any
16 existing authority of the board of hail insurance to make
17 rules on the subject of the provisions of this act is
18 extended to the provisions of this act.

19 NEW SECTION. Section 4. Effective date. This act is
20 effective on passage and approval.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB628, third reading copy.

DESCRIPTION OF PROPOSED LEGISLATION:

An act to allow the Board of Hail Insurance to increase the amount of coverage for crops insured under the state hail insurance program; providing an immediate effective date.

ASSUMPTIONS:

This fiscal note was requested in order to estimate the loss in premium tax due to increasing state hail insurance coverage. Past history indicates that increases in state coverage has little bearing on the number of policies and acres covered under the state plan. The last two times that coverage increased, the number of acres covered actually decreased.

The number of acres covered under the state plan depends much more on weather conditions. For example, the months of January and February of this year were the driest in history. If these conditions persist, resulting in a drought year, the number of crops covered will probably fall regardless of the amount of coverage provided.

David L. Hunter DATE 3/10/87
DAVID L. HUNTER, BUDGET DIRECTOR
Office of Budget and Program Planning

Gene Demars DATE 3-11-87
GENE DEMARS, PRIMARY SPONSOR

Fiscal Note for HB628, third reading copy.

HB 628

APPROVED BY COMMITTEE
ON AGRICULTURE LIVESTOCK
& IRRIGATION

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 2 INTRODUCED BY DeMars Cody William Libby
 3 Frank Hinch Charm Buller John Manuel
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW THE BOARD OF Al-
 5 HAIL INSURANCE TO INCREASE THE AMOUNT OF COVERAGE FOR CROPS Shel
 6 Insurance Fischer Pat Devin NA 3/2/01
 7 INSURED UNDER THE STATE HAIL INSURANCE PROGRAM; AMENDING Cobb
 8 SECTIONS 80-2-208 AND 80-2-244, MCA; AND PROVIDING AN Druck
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House BILL NO. 621

INTRODUCED BY DeWane Cody William Weber
Janice Hirsch Charm Burk Deby Poff Manuel
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Yellowhead Insurance Halliday
HAIL INSURANCE TO INCREASE THE AMOUNT OF COVERAGE FOR CROPS Richard
Wendell Richard Wendell Richard Wendell Richard Wendell Richard Wendell
INSURED UNDER THE STATE HAIL INSURANCE PROGRAM; AMENDING Spartz
Ligon Heller Cobb Greedy
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(2) The board shall on or before November 1 order payment for the amount so deducted, which payment shall be remitted to the county treasurer of the county in which the tax was assessed. The board shall then order payment for the balance of the adjustment to be sent to the claimant, provided that in no case may the payment for loss exceed \$24 \$36 per acre for grain crops on nonirrigated lands, ~~\$48~~ \$64 per acre on irrigated lands. No claimant may receive payment for any loss incurred where the loss does not equal or exceed 5% of the total value of the crop insured. If the losses in any year exceed the current levy plus the reserve, if any, then the payment of all losses shall be prorated, share and share alike, among all grain growers having loss claims adjusted and approved, and the unpaid balance of the losses shall be paid out of the reserve without interest in such order as the board directs, when in the judgment of the board there are sufficient moneys to provide for the payment of the same and other items payable out of the reserve. In any year the board may by resolution authorize its chairman

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