

HOUSE BILL NO. 325

INTRODUCED BY WITT, BARRETT, BERGREN, E. CLARK, FISHER, HAINES, HEDGES, KASTEN,
LEHMAN, LENHART, MATTHEWS, MUSGROVE, PATTISON, PETERSON, RIPLEY, STEINBEISSER,
WAITSCHIES

A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE MAXIMUM INSURANCE COVERAGE FOR
STATE BOARD OF HAIL INSURANCE POLICIES; AMENDING SECTIONS 80-2-208 AND 80-2-244, MCA; AND
PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 80-2-208, MCA, is amended to read:

"80-2-208. Maximum insurance. When the reserve fund is determined actuarially sound, as provided
in 80-2-228, the board may write not more than ~~\$24~~ \$40 insurance on each acre of grain ~~which~~ that is on
nonirrigated land and not more than ~~\$48~~ \$56 ~~per on each~~ acre on irrigated land. When more than one party
desires hail insurance on the same crop, each party is entitled to the share of the maximum provided ~~per on~~
each acre as represented by ~~his~~ that person's interest in the crop. Either party may insure ~~his~~ the party's share
in the crop for any amount up to and including the maximum ~~per on each~~ acre if the others waive their right to
insure."

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

"80-2-244. Payment of losses. (1) The board of hail insurance shall, as soon as practicable after the
loss has been sustained, arrange for the payment of the loss in the following manner. From the amount of the
loss as adjusted for each claimant, the board shall deduct the amount that the claimant then owes as a
delinquent hail insurance fee and the maximum amount assessed as a hail insurance fee for the current year.

(2) The board shall on or before November 1 order payment for the amount deducted. The payment
must be remitted to the county treasurer of the county in which the fee was imposed. The board shall then order
payment for the balance of the adjustment to be sent to the claimant, provided that the payment for loss may
not exceed ~~\$24 per acre for grain crops on nonirrigated lands or \$48 per acre on irrigated lands~~ the maximum
amounts established in 80-2-208. A claimant may not receive payment for any loss incurred if the loss does not

1 equal or exceed 5% of the total value of the crop insured. If the losses in any year exceed the current fees plus
2 the reserve, then the payment of all losses must be prorated among all grain growers having loss claims
3 adjusted and approved, and the unpaid balance of the losses must be paid out of the reserve without interest
4 in the order that the board directs, when in the judgment of the board there is sufficient money to provide for the
5 payment of the claims and other items payable out of the reserve. In any year the board may by resolution
6 authorize its presiding officer and secretary to borrow money that the board may consider necessary for the
7 purpose of paying all warrants as issued.

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

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15 NEW SECTION. **Section 3. Effective date.** [This act] is effective on passage and approval.

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