

HOUSE BILL NO. 354

INTRODUCED BY R. BRODEHL

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A BILL FOR AN ACT ENTITLED: "AN ACT CREATING A LOSS MITIGATION STATE SPECIAL REVENUE ACCOUNT AND PROVIDING CONDITIONS FOR ITS USE; REQUIRING THE OFFICE OF BUDGET AND PROGRAM PLANNING TO APPROVE ANY DISTRIBUTION FROM THE ACCOUNT OVER \$30,000 PER REQUEST TO A SINGLE AGENCY; AND PROVIDING AN EFFECTIVE DATE."

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

NEW SECTION. Section 1. Loss mitigation account -- purpose. (1) There is a loss mitigation account in the state special revenue fund provided for in 17-2-102 to the credit of the department of administration.

(2) Money in the account must be used by the department solely for the purpose of mitigating losses generated through claims against the state related to property, automobiles, aviation, and general liability.

(3) An agency seeking funds from the loss mitigation account shall present to the department a written request that:

- (a) identifies the risk of loss and potential costs associated with the risk of loss;
- (b) identifies matching funds from the agency to address or reduce the risk of loss; and
- (c) provides a detailed explanation of how the funds will be spent to mitigate the risk of loss.

(4) Prior to distributing funds to an agency seeking funds from the loss mitigation account, the department of administration shall review the information provided by the agency and confirm the existence of a significant risk of loss to be mitigated with the requested funds.

(5) A distribution over \$30,000 for each written request, not including matching funds available to the agency, from the loss mitigation account to a single agency is subject to approval by the office of budget and program planning.

NEW SECTION. Section 2. Transfer of funds. For the biennium beginning July 1, 2015, the department of administration shall transfer up to 3% of the total biennial premiums for group benefit claims received to the account in [section 1].

