

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 523 Session of
2009

INTRODUCED BY DeLUCA, BOBACK, GEIST, GEORGE, KORTZ, KOTIK,
LEVDANSKY, MUSTIO, READSHAW, SIPTROTH, SOLOBAY, THOMAS,
VULAKOVICH, WALKO AND YOUNGBLOOD, FEBRUARY 19, 2009

REFERRED TO COMMITTEE ON INSURANCE, FEBRUARY 19, 2009

AN ACT

1 Establishing the Landslide Insurance and Assistance Program
2 within the Pennsylvania Emergency Management Agency;
3 providing for related powers and duties of the Pennsylvania
4 Emergency Management Agency; establishing and providing for
5 the powers and duties of the Landslide Insurance and
6 Assistance Board; establishing the Landslide Insurance Fund
7 and the Landslide Assistance Fund; and making appropriations.

8 TABLE OF CONTENTS

9 Chapter 1. Preliminary Provisions

10 Section 101. Short title.

11 Section 102. Declaration of policy.

12 Section 103. Definitions.

13 Chapter 3. Program Generally

14 Section 301. Program goals.

15 Section 302. Board.

16 Section 303. Appeals.

17 Section 304. Program generally.

18 Section 305. Program authority.

19 Section 306. Land use controls and rate structure.

20 Chapter 5. Landslide Insurance Fund

1 Section 501. Landslide Insurance Fund.
2 Section 502. Schedule of premiums.
3 Section 503. Surplus.
4 Section 504. Insurance program.
5 Section 505. Application for increase in insurance.
6 Section 506. Automatic inflation protection increase.
7 Section 507. Audit by Auditor General.
8 Section 508. Claims against insurance fund.
9 Section 509. Defenses against claims and procedure.
10 Section 510. Subrogation to rights of claimants.
11 section 511. Insurance companies may cover risk.
12 Section 512. Escrow of premium payments.
13 Section 513. Properties in violation of State or local law.
14 Chapter 7. Mitigation Assistance
15 Section 701. Mitigation assistance.
16 Section 702. Landslide Assistance Fund.
17 Section 703. Construction permits.
18 Chapter 9. Program Administration and Funding
19 Section 901. Regulations.
20 Section 902. Agency report.
21 Section 903. Program funding.
22 Section 904. Reimbursement.
23 Section 905. Appropriations.
24 Section 906. Cost of administration.
25 Section 907. Commissions.
26 Chapter 21. Miscellaneous Provisions
27 Section 2101. Effective date.
28 The General Assembly of the Commonwealth of Pennsylvania
29 hereby enacts as follows:

30 CHAPTER 1

PRELIMINARY PROVISIONS

Section 101. Short title.

This act shall be known and may be cited as the Landslide Insurance and Assistance Program Act.

Section 102. Declaration of policy.

The General Assembly finds and declares as follows:

(1) Geologists have studied with increasing concern the underground movement of the geological formations in this Commonwealth and its impeding effects on the vertical and horizontal natural and manmade surfaces.

(2) Landslides and slope movement have historically been the norm throughout most parts of this Commonwealth.

(3) Landslides and slope movements occur without regard for municipal boundaries, ordinances, planning codes, politics and economies, making it difficult for local officials to deal effectively with the development and implementation of methods and standards to control the devastation these natural forces can cause.

(4) Landslides and slope movement have caused an enormous amount of damage to homes and roadways in this Commonwealth, particularly the southwestern region of the State.

(5) Landslides and slope movement will continue to plague southwestern Pennsylvania.

(6) Landslides affect every state in the nation causing an estimated \$1,000,000,000 to \$3,000,000,000 in damages a year.

(7) Landslide damage caused by flooding is not covered by the National Flood Insurance Program.

(8) While landslide damage caused by mining practices is

covered by the Coal and Clay Mine Subsidence Insurance Fund and mudslide damage is covered by the National Flood Insurance Program, other types of landslide damage are usually not covered by insurance.

(9) Problems associated with landslide damage are becoming more widespread.

(10) It would be to the advantage of residents of the landslide-prone areas of this Commonwealth to form a common bond to combat distress resulting from landslides.

Section 103. Definitions.

The following words and phrases when used in this act shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"Agency." The Pennsylvania Emergency Management Agency.

"Assistance fund." The Landslide Assistance Fund established in section 702.

"Board." The Landslide Insurance and Assistance Board established in section 302.

"Community." Either of the following:

(1) A political subdivision that has zoning and building code jurisdiction over an area having landslide hazards.

(2) A political subdivision that is designated to develop and administer a mitigation plan.

"Extremely hazardous area." An area where all of the following factors that contribute to landslides occur in the same location:

(1) Steep slopes.

(2) Soils prone to landslides.

(3) Landslide features.

"Further review area." An area for which additional site-

1 specific review is needed based on a geological map or model
2 identifying the area as including a site prone to experience a
3 landslide.

4 "GIS." Geographic Information Systems.

5 "Hazardous area." An area where one of the following factors
6 that contribute to landslides occurs:

7 (1) Steep slopes.

8 (2) Soils prone to landslides.

9 (3) Landslide features.

10 "Insurance fund." The Landslide Insurance Fund established
11 in section 501.

12 "Landslide." Any detached mass of soil, rock, earth or
13 debris that moves down a slope and is of sufficient size to
14 cause damage. The term includes sinkholes.

15 "Landslide features." Includes, but is not limited to,
16 rockfall areas, creep, red beds and historic landslides.

17 "Mitigation." An activity relative to landslides that
18 prevents an emergency from occurring, reduces the likelihood of
19 an emergency occurring or lessens the damaging effects of
20 unavoidable emergencies.

21 "Mitigation plan." A plan designed by a community that when
22 implemented provides mitigation.

23 "Program." The Landslide Insurance and Assistance Program
24 established in section 304.

25 CHAPTER 3

26 PROGRAM GENERALLY

27 Section 301. Program goals.

28 The goals of the program are as follows:

29 (1) To provide actuarially sound insurance coverage.

30 (2) To make program policies universally available and

competitively priced.

(3) To make use of the most effective scientific and technological advances available, including technology such as GIS.

(4) To process claims promptly, fairly and consistently.

(5) To provide tools and incentives for landslide loss reduction, including the assistance fund.

(6) To collaborate with other organizations that operate in the public interest to assist in achieving program goals.

Section 302. Board.

(a) Board established.--The Landslide Insurance and Assistance Board is hereby established within the Pennsylvania Emergency Management Agency.

(b) Members.--The board shall consist of the following members:

(1) The Secretary of Banking or a designee.

(2) The Secretary of Community and Economic Development or a designee.

(3) The Secretary of Conservation and Natural Resources or a designee.

(4) The Secretary of Environmental Protection or a designee.

(5) The Insurance Commissioner or a designee.

(6) The Secretary of Public Welfare or a designee.

(7) The Secretary of the Commonwealth or a designee.

(8) The Secretary of Transportation or a designee.

(9) The State Treasurer or a designee.

(10) The Director of the Pennsylvania Emergency Management Agency or a designee.

(11) The Executive Director of the Pennsylvania Housing

Finance Agency or a designee.

(c) Chairperson.--The Director of the Pennsylvania Emergency Management Agency or the designee shall serve as the chairperson of the board.

(d) General counsel.--The Attorney General shall, ex officio, be the general counsel of the board and shall appoint an attorney or attorneys as may be deemed necessary to aid the board in its functioning.

(e) Employees.--All employees of the board shall be employed by and located in the agency and shall be subject to the administrative jurisdiction and authority of the agency.

Section 303. Appeals.

Any party aggrieved by an action of the board shall have the right to appeal in accordance with 2 Pa.C.S. (relating to administrative law and procedure).

Section 304. Program generally.

(a) Establishment.--The Landslide Insurance and Assistance Program is hereby established within the agency.

(b) Program components.--The program shall consist of the following components:

(1) A grant program.

(2) A revolving loan program.

(3) An insurance program.

(c) Purposes.--The grant program and the revolving loan program are established for the primary purposes of mitigation and repairing minor structural damage. The board shall employ the grant program and the revolving loan program as tools to aid in the success of the insurance fund.

Section 305. Program authority.

(a) Intergovernmental cooperation.--The program shall:

1 (1) Work closely with Federal, State and local agencies
2 and any other government agencies, including those of other
3 states, to accomplish program goals.

4 (2) Create and implement a Statewide landslide
5 mitigation plan that would encourage and support local
6 mitigation efforts.

7 (3) Investigate sites to define hazards.

8 (4) Recommend legislation, regulations, ordinances and
9 zoning to mitigate slope instability contributed by
10 excavation and drainage.

11 (5) Work with local governments to evaluate risk
12 associated with certain homesite development.

13 (6) Share the most up-to-date geological surveys, in the
14 form of maps, GIS data or other useful form, and related
15 information, free of charge to government agencies and
16 appropriate representatives of communities, and at a
17 reasonable cost to all other persons. Receipts under this
18 paragraph shall be deposited in the assistance fund.

19 (7) Inform the Department of Transportation which
20 highways are at greatest risk from landslides.

21 (8) Notify local governments in areas with the greatest
22 risk from landslides.

23 (9) Have the authority to consult, receive information
24 and enter into any agreements or other arrangements in order
25 to identify and publish information with respect to all
26 landslide-prone areas, establish or update landslide-risk
27 zone data and make estimates with respect to the rates of
28 probable landslide-caused loss for the various landslide risk
29 zones for each of these areas.

30 (10) Publish any change to landslide insurance map

panels.

(11) Ensure that it is consistent in landslide control, landslide forecasting and landslide damage prevention.

(b) Studies and investigations.--

(1) The program is authorized to carry out necessary studies and investigations, utilizing to the maximum extent practicable the existing facilities and services of other Federal and Commonwealth departments or agencies, local governmental agencies and any other organizations, with respect to the adequacy of State and local measures in landslide-prone areas as to:

(i) Land management and use.

(ii) Landslide control.

(iii) Zoning.

(iv) Landslide damage prevention.

(2) The program may enter into any contracts, agreements or other appropriate arrangements to carry out its authority under this section. The studies and investigations shall include, but not be limited to, the following:

(i) Laws.

(ii) Regulations.

(iii) Ordinances.

(iv) Zoning.

(v) Building codes.

(vi) Building permits.

(vii) Subdivision or other building restrictions.

(c) State and local measures.--On the basis of studies and investigations under subsection (b) and other information as the agency deems necessary, the program shall develop comprehensive criteria designed to encourage, where necessary, the adoption of

adequate State and local measures which, to the maximum extent feasible, will:

(1) Constrict the development of land which is exposed to landslide damage where appropriate.

(2) Guide the development of proposed construction away from locations which are threatened by landslide hazards.

(3) Assist in reducing damage caused by landslides.

(4) Otherwise improve the long-range land management and use of landslide-prone areas.

(d) Technical assistance.--The program shall work closely with and provide any necessary technical assistance to State and local governmental agencies to encourage the application of the criteria and the adoption and enforcement of the measures under this section.

Section 306. Land-use controls and rate structure.

Local governments may initiate land-use controls for the benefit of their residents. The following shall apply:

(1) No new landslide insurance coverage shall be provided to new construction without preapproval by an appropriate local public body, which shall have the option of adopting adequate land use and control measures with effective enforcement provisions.

(2) A community rating system shall be employed by the board as an incentive for community landslide management.

(3) Rate structures shall provide incentives for measures that reduce the risk of landslide damage and evaluate the measures. The program shall provide incentives in the form of credits on premium rates for landslide insurance coverage in communities that the agency determines have adopted and enforced measures that reduce the risk of

1 landslide damage.

2 (4) The credits on premium rates for flood insurance
3 coverage shall be based on the estimated reduction in flood
4 and erosion damage risks resulting from the measures adopted
5 by the community under the program. If a community has
6 received mitigation or other assistance under the program,
7 the credits may be used in a manner determined by the agency
8 to recover the amount of assistance provided for the
9 community.

10 CHAPTER 5

11 LANDSLIDE INSURANCE FUND

12 Section 501. Landslide Insurance Fund.

13 (a) Establishment.--The Landslide Insurance Fund is
14 established as a separate fund in the Treasury Department. The
15 insurance fund shall be administered by the board for the
16 purpose of insuring subscribers against the damages to their
17 structures resulting from landslides if the damage is not
18 covered by other insurance programs or coverage.

19 (b) Administration.--The insurance fund shall be
20 administered by the board without liability on the part of the
21 Commonwealth beyond the amount of the fund except as provided
22 under this act and shall be applied to the payment of damage as
23 described under subsection (a).

24 (c) State Treasurer as custodian of insurance fund.--The
25 State Treasurer shall be the custodian of the insurance fund,
26 and all disbursements from the insurance fund shall be paid at
27 the request of the board. For making payments without audit, the
28 State Treasurer shall not be under any liability whatsoever. The
29 State Treasurer may deposit any portion of the insurance fund
30 not needed for immediate use as other State funds are lawfully

1 deposited. The interest shall be placed to the credit of the
2 insurance fund.

3 Section 502. Schedule of premiums.

4 At any time during each year the board shall prepare and
5 publish a schedule of premiums or rates of insurance for
6 subscribers. This schedule shall be printed and distributed free
7 of charge to any person upon application. Any subscriber may at
8 the subscriber's option pay to the insurance fund the amount of
9 premium appropriate, and upon payment of the premium shall be
10 insured for the year for which the premium is paid. The
11 insurance shall cover all payments becoming due for which the
12 premium is paid. The premium shall be adequate to enable payment
13 of all sums which may become due and payable under this act, and
14 adequate reserve sufficient to carry all policies and claims to
15 maturity. In establishing the premiums payable by any
16 subscriber, the board may take into account the condition of the
17 premises of the subscriber in respect to the possibility of
18 landslide damage as shown by the report of any inspector
19 appointed by the board or by the agency. The board may change
20 the amount of premiums payable by any of the subscribers as
21 circumstances may require and the condition of the premises of
22 the subscribers in respect to the possibility of a landslide may
23 justify. The board may increase the premiums of any subscriber
24 whose loss experience warrants a change. The insurance of any
25 subscriber shall not be effective until the premium so fixed and
26 determined has been paid in full.

27 Section 503. Surplus.

28 The board shall set aside 5% of all premiums collected for
29 the creation of a surplus until the surplus is sufficiently
30 large to cover catastrophic hazard of all the subscribers to the

1 insurance fund and to guarantee the solvency of the fund. At
2 such point, the board shall reevaluate the set-aside and
3 investment of the surplus and make a recommendation to the
4 General Assembly.

5 Section 504. Insurance program.

6 (a) General rule.--Any owner of a structure located within a
7 landslide-prone region who desires to become a subscriber to the
8 insurance fund for the purpose of insuring a structure in the
9 region against damage from landslides shall make a complete
10 application as prescribed by the board to the board, its agents
11 or insurance producers. Upon receipt of an application, the
12 board shall make an investigation as may be necessary if the
13 application complies with the rules and regulations of the
14 board. Within 60 days after the request for an application is
15 received the board shall issue a certificate showing the
16 acceptance of the application and the amount of premium payable
17 by the applicant for one, two or three years as the board may
18 establish. No insurance shall become effective until the premium
19 has been paid. All premiums shall be made payable to the State
20 Treasurer whereupon a receipt shall be issued therefor. The
21 receipt for premium together with a certificate of the board
22 shall be evidence that the applicant has become a subscriber to
23 the insurance fund and is insured from the date of application.
24 The following apply:

25 (1) The insurance may be subject to later reductions,
26 and premiums adjusted accordingly, if the board determines
27 that the amount of insurance coverage requested is in excess
28 of the current replacement cost of the structure or the
29 maximum amount of coverage established by the fund, whichever
30 is less.

1 (2) The insurance shall be void if, upon investigation
2 of the structure, the board determines that either landslide
3 damage occurred before the application was submitted or the
4 applicant is responsible for not allowing the board to
5 inspect the structure within 60 days of receipt of the
6 application.

7 (3) The use of the most current science available to
8 identify landslide-prone areas shall be employed. If the
9 property is located in a further review area within a
10 hazardous area, the property owner may be required to
11 complete a site assessment with a licensed professional,
12 which may include an onsite evaluation. The property owner
13 shall fund this assessment. This assessment may also be
14 required before a local government accepts an application for
15 a development permit.

16 (4) Notwithstanding any other provision of law, any
17 structure repaired or restored to its original condition with
18 moneys from the insurance fund shall not be eligible for
19 duplicative disaster relief assistance from programs
20 administered by the agency.

21 (5) In order to assist insurance producers and potential
22 policyholders in identifying structures that could be at risk
23 from landslides, the board shall publish and update in the
24 Pennsylvania Bulletin a list of areas in this Commonwealth
25 that are believed to be at risk for landslide damage.

26 (b) Penalty.--A person who knowingly furnishes or makes any
27 false certificate, application or statement required under this
28 section commits a misdemeanor and shall, upon conviction, be
29 sentenced to pay a fine of not more than \$1,500 or to
30 imprisonment for not more than one year, or both.

1 Section 505. Application for increase in insurance.

2 Additions in the amount of insurance are subject to the same
3 standards as initial applications.

4 Section 506. Automatic inflation protection increase.

5 The board shall make available to all subscribers an annual
6 inflation protection option on the anniversary date of each
7 policy issued only if the total insurance remains at or under
8 the value of the structure itself. An inflation protection
9 increase shall not be subject to a reinspection of the
10 structure.

11 Section 507. Audit by Auditor General.

12 The Auditor General shall at least once each year make a
13 complete examination and audit of the insurance fund, including
14 all receipts and expenditures, cash on hand, investments and
15 property held representing cash or cash disbursements. For these
16 purposes the Auditor General is hereby authorized to employ
17 agents and staff as the Auditor General may deem necessary. The
18 expense incurred in making the examination and audit shall be
19 certified to the insurance fund by the Auditor General and shall
20 be paid from the program.

21 Section 508. Claims against insurance fund.

22 Any subscriber to the insurance fund must file with the board
23 a true statement of the subscriber's claim for any landslide
24 damage and shall give to the board an opportunity to investigate
25 and to determine whether the board will pay the claim.

26 Section 509. Defenses against claims and procedure.

27 In every case where a claim is made against the insurance
28 fund, the fund shall be entitled to every defense against the
29 claim under the policy and shall be subrogated to every right of
30 the subscriber arising out of such accidents against any third

persons. The insurance fund may, in the name of the fund, sue or be sued to enforce any right given against or to any subscriber or other persons under this act.

Section 510. Subrogation to rights of claimants.

Nothing in this act shall relieve any person, partnership or corporation otherwise liable therefor from any liability for damages sustained by a subscriber. The insurance fund shall be subrogated to the rights of any property owner's insurance under this act.

Section 511. Insurance companies may cover risk.

Any insurance company may issue policies covering the type of risk provided for under this chapter subject to the prior approval of the Insurance Commissioner as to policy form and rates.

Section 512. Escrow of premium payments.

Mortgage lenders shall escrow the landslide insurance premium payments if they offer the purchase of the insurance.

Section 513. Properties in violation of State or local law.

No new landslide insurance coverage shall be provided for any property which the agency finds has been declared by a State or local zoning authority, or other authorized public body, to be in violation of State or local laws, regulations or ordinances which are intended to discourage or otherwise restrict land development or occupancy in landslide-prone areas.

CHAPTER 7

MITIGATION ASSISTANCE

Section 701. Mitigation assistance.

(a) Financial assistance generally.--The agency shall carry out a program to provide financial assistance to communities and individuals for planning and carrying out activities designed to

1 reduce the risk of landslide damage to structures covered under
2 contracts for landslide insurance. Financial assistance may be
3 made available to communities and individuals in the form of
4 grants or revolving loans for the carrying out of mitigation
5 activities. Loans shall carry an interest rate of no more than
6 3%.

7 (b) Grants.--The agency may make grants under this section
8 to communities to assist in developing mitigation plans.

9 (c) Eligibility.--To be eligible to receive financial
10 assistance, a community shall develop a mitigation plan that
11 describes the mitigation activities to be carried out with
12 assistance provided under this section. The mitigation plan must
13 be consistent with the criteria established by the agency and
14 provide protection against landslide losses to structures for
15 which contracts for flood insurance are available under this
16 act. The mitigation plan shall be consistent with a
17 comprehensive strategy for mitigation activities for the area
18 affected by the mitigation plan that has been adopted by the
19 community following a public hearing.

20 (d) Procedure.--The agency shall notify a community
21 submitting a mitigation plan of the approval or disapproval of
22 the plan not later than 120 days after submission of the plan.
23 If the agency does not approve a mitigation plan submitted under
24 this section, the agency shall notify in writing the community
25 submitting the plan of the reasons for the disapproval.

26 (e) Limitation.--Amounts provided under this section may be
27 used only for mitigation activities specified in a mitigation
28 plan approved by the agency. The agency may approve only
29 mitigation plans that specify mitigation activities that are
30 technically feasible and cost effective and that are cost

1 beneficial under Chapter 5.

2 (f) Approval.--The agency shall approve funding for
3 mitigation plans based on criteria that include:

4 (1) Criteria under subsection (e).

5 (2) Proposed activities to address repetitive loss
6 structures and structures that have incurred substantial
7 damage.

8 (g) Matching funds.--The agency may require a community to
9 match grant funds.

10 (h) Oversight.--The agency shall conduct oversight of
11 recipients of mitigation assistance to ensure that the
12 assistance is used in compliance with the approved mitigation
13 plans of the recipients and that any matching fund requirements
14 are fulfilled.

15 (i) Failure to comply.--If the agency determines that a
16 community that has received mitigation assistance has not
17 carried out the mitigation activities as set forth in the
18 mitigation plan or has not secured required matching funds, the
19 agency shall recapture any unexpended amounts and redeposit the
20 amounts in the assistance fund.

21 Section 702. Landslide Assistance Fund.

22 The Landslide Assistance Fund is hereby established as a
23 restricted account in the Treasury Department. The assistance
24 fund shall be administered by the agency and shall be comprised
25 of moneys appropriated for purposes of this chapter. All moneys
26 in the assistance fund and the interest accruing thereon are
27 appropriated to the agency on a continuing basis to carry out
28 the provisions of this chapter.

29 Section 703. Construction permits.

30 No Commonwealth agency shall approve any financial assistance

1 for the acquisition of land for construction purposes in any
2 area that has been identified by the agency as an extremely
3 hazardous zone without approval to proceed by the agency based
4 on the results of a risk assessment.

5 CHAPTER 9

6 PROGRAM ADMINISTRATION AND FUNDING

7 Section 901. Regulations.

8 The agency, in conjunction with the board, may promulgate
9 rules and regulations and establish other conditions of the
10 policies as it deems just and expedient in keeping with the
11 fulfillment of the purposes of this act, including reasonable
12 classification of risks eligible for coverage under this act,
13 limits of coverage and rules covering the adjustment and
14 settlement of claims.

15 Section 902. Agency report.

16 The agency shall make an annual report on the program and on
17 experience with landslide insurance sales through producers to
18 the General Assembly. Each report shall include mitigation
19 efforts, an analysis of the cost-effectiveness of the program,
20 accomplishments or shortcomings of the program and
21 recommendations for legislation regarding the program.

22 Section 903. Program funding.

23 The program shall be funded by the General Assembly through
24 an appropriation of moneys to the Pennsylvania Emergency
25 Management Agency until which time the insurance fund and
26 assistance fund are deemed self-sufficient by the General
27 Assembly.

28 Section 904. Reimbursement.

29 The program shall reimburse any Commonwealth departments for
30 agreed-upon costs of services that aid in administering the

1 program.

2 Section 905. Appropriations.

3 (a) Insurance fund.--The sum of \$2,500,000, or as much
4 thereof as may be necessary, is hereby appropriated to the
5 Landslide Insurance Fund for the fiscal year July 1, 2009,
6 through June 30, 2010.

7 (b) Assistance fund.--The sum of \$2,500,000, or as much
8 thereof as may be necessary, is hereby appropriated to the
9 Landslide Assistance Fund for the fiscal year July 1, 2009,
10 through June 30, 2010.

11 (c) Agency.--Moneys in the Landslide Insurance Fund and the
12 Landslide Assistance Fund are hereby appropriated to the
13 Pennsylvania Emergency Management Agency in such amounts as may
14 be determined annually by the Governor to be used for the
15 specified purposes of this act.

16 (d) Additional appropriations.--If, upon completion of the
17 annual examination and audit, it is determined that the total
18 asset value of either the insurance fund or assistance fund is
19 less than \$2,500,000, such additional sum as may be necessary to
20 increase the total asset value of the fund or funds to
21 \$2,500,000 shall be appropriated.

22 Section 906. Cost of administration.

23 The board shall keep an accurate account of the money paid in
24 premiums by the subscribers and the disbursements on account of
25 damages to premises. If, at the expiration of any year there
26 shall be a balance remaining after deducting the disbursements,
27 the unearned premiums on undetermined risks and the percentage
28 of premiums paid or payable to create or maintain the surplus
29 provided under this act, and after setting aside an adequate
30 reserve, the board may determine to allocate to the cost of

1 administering the insurance fund.

2 Section 907. Commissions.

3 Moneys from the insurance fund shall be available to pay a
4 one-time commission as determined by the board to insurance
5 producers who forward applications for landslide insurance to
6 the board if a policy is issued pursuant to an application
7 submitted by an insurance producer. The amount of the commission
8 shall be determined by the board on an annual basis.

9 CHAPTER 21

10 MISCELLANEOUS PROVISIONS

11 Section 2101. Effective date.

12 This act shall take effect July 1, 2009, or immediately,
13 whichever is later.