
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 468 Session of
2019

INTRODUCED BY READSHAW, DeLUCA, DEASY, A. DAVIS, CALTAGIRONE,
MURT, HILL-EVANS AND FREEMAN, FEBRUARY 11, 2019

REFERRED TO COMMITTEE ON VETERANS AFFAIRS AND EMERGENCY
PREPAREDNESS, FEBRUARY 11, 2019

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; providing for duties of the Auditor
7 General; establishing the Landslide Insurance Fund and the
8 Landslide Assistance Fund; imposing a penalty; and making
9 appropriations.

10 TABLE OF CONTENTS

11 Chapter 1. Preliminary Provisions
12 Section 101. Short title.
13 Section 102. Declaration of policy.
14 Section 103. Definitions.
15 Chapter 3. Program Generally
16 Section 301. Program goals.
17 Section 302. Board.
18 Section 303. Appeals.
19 Section 304. Landslide Insurance and Assistance Program.
20 Section 305. Program authority.
21 Section 306. Land-use controls and rate structure.

1 Chapter 5. Landslide Insurance Fund
2 Section 501. Landslide Insurance Fund.
3 Section 502. Schedule of premiums.
4 Section 503. Surplus.
5 Section 504. Insurance program.
6 Section 505. Application for increase in insurance.
7 Section 506. Automatic inflation protection increase.
8 Section 507. Audit by Auditor General.
9 Section 508. Claims against insurance fund.
10 Section 509. Defenses against claims and procedure.
11 Section 510. Subrogation to rights of claimants.
12 Section 511. Insurance companies may cover risk.
13 Section 512. Escrow of premium payments.
14 Section 513. Properties in violation of State or local law.
15 Chapter 7. Mitigation Assistance
16 Section 701. Mitigation assistance.
17 Section 702. Landslide Assistance Fund.
18 Section 703. Construction permits.
19 Chapter 9. Program Administration and Funding
20 Section 901. Regulations.
21 Section 902. Agency report.
22 Section 903. Program funding.
23 Section 904. Reimbursement.
24 Section 905. Appropriations.
25 Section 906. Cost of administration.
26 Section 907. Commissions.
27 Chapter 11. Miscellaneous Provisions
28 Section 1101. Effective date.
29 The General Assembly of the Commonwealth of Pennsylvania
30 hereby enacts as follows:

1 CHAPTER 1

2 PRELIMINARY PROVISIONS

3 Section 101. Short title.

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

6 Section 102. Declaration of policy.

7 The General Assembly finds and declares as follows:

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

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

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

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

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

26 (6) Landslides affect every state in the nation, causing
27 an estimated \$2 billion to \$4 billion in damages per year.

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

30 (8) While landslide damage caused by mining practices is

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

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

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

10 Section 103. Definitions.

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

14 "Agency." The Pennsylvania Emergency Management Agency.

15 "Assistance fund." The Landslide Assistance Fund established
16 under section 702.

17 "Board." The Landslide Insurance and Assistance Board
18 established under section 302.

19 "Community." Either of the following:

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

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

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

27 (1) Steep slopes.

28 (2) Soils prone to landslides.

29 (3) Landslide features.

30 "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 contributes 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 under section 501.

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

15 "Landslide features." The term includes rockfall areas,
16 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 under 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

1 competitively priced.

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

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

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

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

10 Section 302. Board.

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

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

16 (1) The Secretary of Banking and Securities or a
17 designee.

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

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

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

24 (5) The Insurance Commissioner or a designee.

25 (6) The Secretary of Human Services or a designee.

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

27 (8) The Secretary of Transportation or a designee.

28 (9) The State Treasurer or a designee.

29 (10) The Director of the agency or a designee.

30 (11) The Executive Director of the Pennsylvania Housing

1 Finance Agency or a designee.

2 (c) Chairperson.--The director of the agency or the designee
3 shall serve as the chairperson of the board.

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

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

11 Section 303. Appeals.

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

15 Section 304. Landslide Insurance and Assistance Program.

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

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

20 (1) A grant program.

21 (2) A revolving loan program.

22 (3) An insurance program.

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

28 Section 305. Program authority.

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

30 (1) Work closely with Federal, State and local agencies

1 and any other government agencies, including those of other
2 states, to accomplish program goals.

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

6 (3) Investigate sites to define hazards.

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

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

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

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

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

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

29 (10) Publish any change to landslide insurance map
30 panels.

1 (11) Ensure that the program is consistent in landslide
2 control, landslide forecasting and landslide damage
3 prevention.

4 (b) Studies and investigations.--

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

12 (i) Land management and use.

13 (ii) Landslide control.

14 (iii) Zoning.

15 (iv) Landslide damage prevention.

16 (2) The program may enter into any contracts, agreements
17 or other appropriate arrangements to carry out its authority
18 under this section. The studies and investigations shall
19 include the following:

20 (i) Laws.

21 (ii) Regulations.

22 (iii) Ordinances.

23 (iv) Zoning.

24 (v) Building codes.

25 (vi) Building permits.

26 (vii) Subdivision or other building restrictions.

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

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

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

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

7 (3) Assist in reducing damage caused by landslides.

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

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

15 Section 306. Land-use controls and rate structure.

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

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

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

25 (3) Rate structures shall provide incentives for
26 measures that reduce the risk of landslide damage and
27 evaluate the measures. The program shall provide incentives
28 in the form of credits on premium rates for landslide
29 insurance coverage in communities that the agency determines
30 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 State Treasury. 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. All money in
19 the insurance fund and any accrued interest is appropriated to
20 the board on a continuing basis to carry out the provisions of
21 this chapter.

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

27 (c) State Treasurer as custodian of insurance fund.--The
28 State Treasurer shall be the custodian of the insurance fund,
29 and all disbursements from the insurance fund shall be paid at
30 the request of the board. For making payments without audit, the

1 State Treasurer shall not be under any liability. The State
2 Treasurer may deposit any portion of the insurance fund not
3 needed for immediate use as other State money is lawfully
4 deposited. The interest shall be placed to the credit of the
5 insurance fund.

6 Section 502. Schedule of premiums.

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

30 Section 503. Surplus.

1 The board shall set aside 5% of all premiums collected for
2 the creation of a surplus until the surplus is sufficiently
3 large to cover catastrophic hazard of all the subscribers to the
4 insurance fund and to guarantee the solvency of the insurance
5 fund. At that point, the board shall reevaluate the set-aside
6 and investment of the surplus and make a recommendation to the
7 General Assembly.

8 Section 504. Insurance program.

9 (a) Application and certification.--Any owner of a structure
10 located within a landslide-prone region that desires to become a
11 subscriber to the insurance fund for the purpose of insuring a
12 structure in the region against damage from landslides shall
13 make a complete application as prescribed by the board to the
14 board, the board's agents or insurance producers. Upon receipt
15 of an application, the board shall make an investigation as may
16 be necessary if the application complies with the rules and
17 regulations of the board. Within 60 days after the request for
18 an application is received, the board shall issue a certificate
19 showing the acceptance of the application and the amount of
20 premium payable by the applicant for one, two or three years, as
21 the board may establish.

22 (b) Coverage premiums and requirements.--No insurance shall
23 become effective until the premium has been paid. All premiums
24 shall be made payable to the State Treasurer and a receipt shall
25 be issued. The receipt for a premium, together with a
26 certificate of the board, shall be evidence that the applicant
27 has become a subscriber to the insurance fund and is insured
28 from the date of application. The following apply:

29 (1) The insurance may be subject to later reductions,
30 and premiums adjusted accordingly, if the board determines

1 that the amount of insurance coverage requested is in excess
2 of the current replacement cost of the structure or the
3 maximum amount of coverage established by the fund, whichever
4 is less.

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

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

20 (4) Notwithstanding any other provision of law, any
21 structure repaired or restored to its original condition with
22 money from the insurance fund shall not be eligible for
23 duplicative disaster relief assistance from programs
24 administered by the agency.

25 (5) In order to assist insurance producers and potential
26 policyholders in identifying structures that could be at risk
27 from landslides, the board shall transmit a list of areas in
28 this Commonwealth that are believed to be at risk for
29 landslide damage to the Legislative Reference Bureau for
30 publication in the Pennsylvania Bulletin.

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

6 Section 505. Application for increase in insurance.

7 Additions in the amount of insurance are subject to the same
8 standards as initial applications.

9 Section 506. Automatic inflation protection increase.

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

16 Section 507. Audit by Auditor General.

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

26 Section 508. Claims against insurance fund.

27 A subscriber to the insurance fund shall file with the board
28 a true statement of the subscriber's claim for any landslide
29 damage and shall give to the board an opportunity to investigate
30 and to determine whether the board will pay the claim.

1 Section 509. Defenses against claims and procedure.

2 In every case where a claim is made against the insurance
3 fund, the insurance fund shall be entitled to every defense
4 against the claim under the policy and shall be subrogated to
5 every right of the subscriber arising out of accidents against
6 any third persons. The insurance fund may, in the name of the
7 insurance fund, sue or be sued to enforce any right given
8 against or to a subscriber or other persons under this act.

9 Section 510. Subrogation to rights of claimants.

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

15 Section 511. Insurance companies may cover risk.

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

20 Section 512. Escrow of premium payments.

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

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

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

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

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

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

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

1 (e) Limitation.--Amounts provided under this section may be
2 used only for mitigation activities specified in a mitigation
3 plan approved by the agency. The agency may approve only
4 mitigation plans that specify mitigation activities that are
5 technically feasible and cost effective and that are cost
6 beneficial under Chapter 5.

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

9 (1) Criteria under subsection (e).

10 (2) Proposed activities to address repetitive loss
11 structures and structures that have incurred substantial
12 damage.

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

15 (h) Oversight.--The agency shall conduct oversight of
16 recipients of mitigation assistance to ensure that the
17 assistance is used in compliance with the approved mitigation
18 plans of the recipients and that any matching fund requirements
19 are fulfilled.

20 (i) Failure to comply.--If the agency determines that a
21 community that has received mitigation assistance has not
22 carried out the mitigation activities as provided in the
23 mitigation plan or has not secured required matching funds, the
24 agency shall recapture any unexpended amounts and redeposit the
25 amounts in the assistance fund.

26 Section 702. Landslide Assistance Fund.

27 The Landslide Assistance Fund is established as a separate
28 fund in the State Treasury. The assistance fund shall be
29 administered by the agency and shall consist of money
30 appropriated, transferred or otherwise made available to the

1 fund, for purposes of this chapter. All money in the assistance
2 fund and any accrued interest is appropriated to the agency on a
3 continuing basis to carry out the provisions of this chapter.

4 Section 703. Construction permits.

5 No Commonwealth agency shall approve any financial assistance
6 for the acquisition of land for construction purposes in any
7 area that has been identified by the agency as an extremely
8 hazardous zone without approval to proceed by the agency based
9 on the results of a risk assessment.

10 CHAPTER 9

11 PROGRAM ADMINISTRATION AND FUNDING

12 Section 901. Regulations.

13 The agency, in conjunction with the board, may promulgate
14 rules and regulations and establish other conditions of the
15 policies as it deems necessary in keeping with the fulfillment
16 of the purposes of this act, including reasonable classification
17 of risks eligible for coverage under this act, limits of
18 coverage and rules covering the adjustment and settlement of
19 claims.

20 Section 902. Agency report.

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

27 Section 903. Program funding.

28 The program shall be funded by the General Assembly through
29 an appropriation of money to the agency until such time as the
30 insurance fund and assistance fund are deemed self-sufficient by

1 the General Assembly.

2 Section 904. Reimbursement.

3 The program shall reimburse any Commonwealth departments for
4 agreed-upon costs of services that aid in administering the
5 program.

6 Section 905. Appropriations.

7 (a) Insurance fund.--The sum of \$2,500,000, or as much
8 thereof as may be necessary, is appropriated to the Landslide
9 Insurance Fund for the fiscal year July 1, 2019, through June
10 30, 2020.

11 (b) Assistance fund.--The sum of \$2,500,000, or as much
12 thereof as may be necessary, is appropriated to the Landslide
13 Assistance Fund for the fiscal year July 1, 2019, through June
14 30, 2020.

15 (c) Agency.--Money in the insurance fund and in the
16 assistance fund is appropriated to the agency in such amounts as
17 may be determined annually by the Governor to be used for the
18 specified purposes of this act.

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

26 Section 906. Cost of administration.

27 The board shall keep an accurate account of money paid in
28 premiums by the subscribers and disbursements on account of
29 damages to premises. If, at the expiration of any year, there is
30 a balance remaining after deducting the disbursements, the

1 unearned premiums on undetermined risks and the percentage of
2 premiums paid or payable to create or maintain the surplus
3 provided under this act, and after setting aside an adequate
4 reserve, the board may determine to allocate to the cost of
5 administering the insurance fund.

6 Section 907. Commissions.

7 Money from the insurance fund shall be available to pay a
8 one-time commission, as determined by the board, to insurance
9 producers who forward applications for landslide insurance to
10 the board if a policy is issued pursuant to an application
11 submitted by an insurance producer. The amount of the commission
12 shall be determined by the board on an annual basis.

13 CHAPTER 11

14 MISCELLANEOUS PROVISIONS

15 Section 1101. Effective date.

16 This act shall take effect July 1, 2019, or immediately,
17 whichever is later.