

FACTS REGARDING BACKUP INCIDENTS

-Information for Homeowners and Business Owners-

Backups are an unfortunate yet common issue in U.S. cities and towns, occurring for various reasons. Often, backups are caused by blockage from solid items or paper products being introduced into sewer systems. The following information is provided to help property owners and residents understand the causes of backups, how to prevent them, and the appropriate steps to take if a water and/or sewer backup occurs at their home or business.

What should I do if a water or sewer backup occurs?

- Take immediate action to prevent further damage.
 - Immediately stop running water in the building (including toilets, sinks, dishwashers, washing machines, and other water-using appliances) to prevent additional backup.
 - Contact the municipality to report the backup and determine whether the issue involves the public sewer or water main.
 - If the issue appears isolated to the building, determine whether a licensed plumber is needed to clear the lines.
 - Clean and dry the affected area.
 - Remove and clean any affected personal property.
 - Remove any personal property adjacent to the area to prevent further damage.
 - Take photos of affected areas and personal property.
- In the event of a major backup, contact a water damage restoration service.
- Save receipts for any equipment and services purchased to clean up the area.

Who should I contact?

- Contact your local municipality to report the backup. (**Note: Reporting does not mean the municipality is responsible or liable for the backup**).
- Prompt reporting allows the municipality to notify the North Dakota Insurance Reserve Fund ("NDIRF") and preserve the ability to investigate and evaluate coverage under any applicable endorsement.
- Contact your personal property insurance company to report the backup and to discuss potential coverage. Coverage under any NDIRF endorsement is excess over any applicable personal coverage or insurance.

Will insurance cover any damage to my home or property?

Standard homeowner or commercial property insurance policies often exclude wastewater blockages or overflows unless you have purchased an endorsement. Check with your insurance agent regarding your specific coverage.

Although a municipality is responsible for repairing and maintaining its wastewater systems, it is not automatically legally liable for blockages or overflows. Under North Dakota law, municipal liability exists only if it is proven that municipal negligence directly caused the damage and no immunity applies. Each incident is individually investigated and reviewed.

Some municipalities maintain an additional Public Sewer Back-Up and Water Main Break Coverage Endorsement through the NDIRF. This endorsement may allow payment for certain damages even when the municipality is not legally liable, subject to all applicable terms, conditions, exclusions, and coverage limits.

Coverage is subject to all terms, conditions, and exclusions in the applicable policy or endorsement. These may include, but are not limited to:

- Back-ups from service lines not owned or maintained by the municipality;
- Extreme rainfall events exceeding specified thresholds;
- Disasters declared by the President of the United States; and
- Certain power outages or cyber events.

NDIRF coverage is excess over any other applicable insurance, including homeowner's, commercial property, or flood insurance.

Is there anything I can do to prevent sewage backup into my home or business?

As a property owner, you are responsible for maintaining private sewer service lines connecting your property to the municipal mains, including the sewer tap. Common causes of backups include, but are not limited to:

- F.R.O.G.'s - Fats, rags, oils, and grease. These have become a major problem for sewer systems as they can form thick layers inside sewers, constricting wastewater flow and potentially causing backups.
- Paper Products – Bathroom tissue deteriorates rapidly, but other paper-based products (paper towels, diapers, and feminine products) can quickly clog a sewer line.
- Tree Roots – Tree roots can infiltrate lines and cause disruptions to water/sewage flow.
- Illegal Connections – Unauthorized connections to the sanitary sewer system can cause clogs if not installed properly by a licensed plumber.
- No Backwater Prevention Valve - Properly functioning backwater valves can prevent sewage backflow and are common in newer lines.

Important Reminder

Each backup incident is individually investigated. Coverage is subject to all terms, conditions, exclusions, and limits of any applicable coverage endorsement. When multiple properties are affected by a single incident, payments may be proportionally allocated based on applicable limits. The presence of municipal responsibility does not automatically guarantee coverage. For full details, property owners should review their own insurance policy and the municipality's applicable coverage document.