
By Mr. McHugh of Boston (by request), petition of Harold W. Sullivan that certain persons and government employees be prohibited from requiring contractors and others to negotiate bonds through any particular insurance agent or broker. Insurance.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Forty-One.

AN ACT TO PREVENT ANY PERSON, EMPLOYEE OF ANY UNIT OF GOVERNMENT, OR GOVERNMENT OFFICIALS FROM REQUIRING CONTRACTORS OR OTHERS TO NEGOTIATE ANY BOND OR POLICY OF INSURANCE WITH A PARTICULAR INSURANCE AGENT OR BROKER.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. No person employed by any unit of
2 government within this commonwealth, and no pub-
3 lic official, or any other person shall require, as a
4 condition for the awarding of any contract, that the
5 contractor, or any other person, negotiate any bond,
6 or insurance through a particular insurance agent
7 or broker.

1 SECTION 2. No trustee, director, officer, agent or
2 other employee of any bank or banking institution,
3 or of any insurance corporation engaged in the busi-
4 ness of lending money on the security of real prop-
5 erty shall require, as a condition precedent to loaning

6 money upon the security of a mortgage upon real
7 property, that the owner of the property to whom
8 the money is to be loaned, negotiate any policy of
9 insurance covering such real property through a
10 particular insurance agent or broker or brokers.
11 This section shall not prevent the exercise by any
12 such bank, insurance company or corporation of
13 its right to approve or disapprove of the insurance
14 company selected by the borrower to underwrite
15 insurance.

16 A violation of this section shall constitute a mis-
17 demeanor and shall be punishable by a fine of not
18 more than two hundred dollars or by imprisonment
19 for not more than three months, or by both such fine
20 and imprisonment.