

# HOUSE . . . . . No. 97

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Accompanying the twenty-second recommendation of the Commissioner of Insurance (House, No. 75). Insurance.

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## The Commonwealth of Massachusetts

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

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AN ACT REGULATING AND CONTROLLING THE FINANCING OF AUTOMOBILE INSURANCE PREMIUM PAYMENTS AND THE PERSONS AND ORGANIZATIONS ENGAGED THEREIN.

*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. General Laws, Tercentenary Edition,  
2 chapter one hundred and seventy-five, is hereby  
3 amended by adding thereto after section one hundred  
4 and ninety-three B, as inserted by chapter three hun-  
5 dred and fourteen of the acts of nineteen hundred and  
6 thirty-seven, the following new sections:—

7 *Section 193C.* No person or corporation except an  
8 insurance agent or an insurance broker as defined in  
9 section one hundred and sixty-two or an insurance  
10 company acting under section one hundred and  
11 ninety-three B shall directly or indirectly engage in  
12 the business of financing compulsory automobile in-  
13 surance premiums for which any interest or service or  
14 expense charge of any kind is made without first ob-  
15 taining from the commissioner of insurance upon

16 payment of the fee specified in section fourteen a  
17 license to carry on the said business within the  
18 commonwealth and said licenses granted by the  
19 commissioner shall be for a period of one year from  
20 the date of issuance.

21 *Section 193D.* The commissioner shall from time  
22 to time establish regulations respecting the granting  
23 of licenses and the business carried on by the licensee,  
24 and by all companies and associations licensed under  
25 the provisions of the preceding section. The commis-  
26 sioner may cause an examination of the books and  
27 business of any such companies to be made at any  
28 time.

29 *Section 193E.* Any person or corporation who di-  
30 rectly, or indirectly, engages in the business of financing  
31 the payments of compulsory automobile insurance  
32 premiums for which any interest, or service, or ex-  
33 pense charge of any kind is made, shall within a pe-  
34 riod of thirty days from the date of the underwriting  
35 of said policy of compulsory automobile insurance,  
36 pay over the entire amount to the insurance company  
37 which has underwritten said policy of compulsory  
38 automobile insurance, and any person, or employee,  
39 or officer, or agent of a company, corporation, or  
40 association who violates the provisions of section one  
41 hundred and ninety-three C to section one hundred  
42 and ninety-three E, inclusive, shall be punished by a  
43 fine of not more than five hundred dollars, or by im-  
44 prisonment of not more than two months, or both.

1 SECTION 2. Massachusetts General Laws, chapter  
2 one hundred and seventy-five, section fourteen, as  
3 amended by acts of nineteen hundred and thirty-nine,  
4 chapter three hundred and ninety-five, is hereby

5 further amended by striking out said section fourteen  
6 and inserting in place thereof the following: —

7 *Section 14.* He shall collect and pay to the com-  
8 monwealth charges and fees as follows: for each  
9 examination prior to granting a license or a certificate  
10 of authority to issue policies of insurance or annuity  
11 or pure endowment contract as provided in sections  
12 four and thirty-two, fifty dollars; for the valuation  
13 of life policies of a domestic company as provided in  
14 section nine, two and one half mills for each thousand  
15 dollars of insurance; for each certificate issued under  
16 section sixteen, two dollars, provided that such cer-  
17 tificates shall be issued without charge for the use of  
18 the commonwealth; for each certificate under section  
19 thirty-two, two dollars; for each special license under  
20 clause (g) of section fifty-one or of section fifty-four,  
21 ten dollars; for each certificate issued by the commis-  
22 sioner under section seventy or seventy-one, two  
23 dollars; for filing copy of charter or deed of settle-  
24 ment of each foreign company under section one  
25 hundred and fifty-one, thirty dollars; for filing finan-  
26 cial statement with the application for admission of  
27 a foreign company under said section one hundred  
28 and fifty-one, and for the filing of each annual state-  
29 ment by a foreign company under section twenty-five,  
30 twenty dollars; for each service of lawful process  
31 upon him as attorney for a foreign company under  
32 section one hundred and fifty-one and section one  
33 hundred and fifty-four, two dollars; provided, that  
34 such fee shall not be required for the service of process  
35 in any criminal proceeding; for each license or re-  
36 newal thereof to an insurance agent of any company  
37 under section one hundred and sixty-three, two dol-  
38 lars; for each license or renewal thereof to an insur-

39 ance broker under section one hundred and sixty-six,  
40 twenty-five dollars; for each license or renewal  
41 thereof to a special insurance broker under section  
42 one hundred and sixty-eight, twenty-five dollars; for  
43 each license or renewal thereof to an adjuster of fire  
44 losses under section one hundred and seventy-two,  
45 ten dollars; for each license or renewal thereof to an  
46 insurance adviser under section one hundred and  
47 seventy-seven B, twenty-five dollars; for each license  
48 or renewal thereof to an individual, partnership, firm  
49 or corporation engaged in the business of financing  
50 premiums on compulsory motor vehicle liability in-  
51 surance policies under section one hundred and  
52 ninety-three, one hundred dollars; for each license  
53 or renewal thereof to a voluntary association under  
54 section one hundred and seventy-two A to a partner-  
55 ship under section one hundred and seventy-three or  
56 to a corporation under section one hundred and  
57 seventy-four, the fees hereinbefore prescribed for like  
58 licenses issued to individuals under said section one  
59 hundred and sixty-six, one hundred and sixty-eight,  
60 one hundred and seventy-two or one hundred and  
61 seventy-seven B, for each trustee, partner or officer  
62 to be covered by the license; provided, that the fee  
63 to be collected for an insurance broker's license issued  
64 under said section one hundred and seventy-three to  
65 a partnership composed entirely of residents of other  
66 states of the United States eligible therefor under  
67 said section one hundred and sixty-six, and covering  
68 all the partners shall be twenty-five dollars and that  
69 the aggregate fees to be collected for such a license  
70 issued as aforesaid to any other partnership shall not  
71 exceed one hundred dollars; for each certificate of  
72 the valuation of the policies of any life company and

73 for each certificate of the examination, condition or  
74 qualification of a company, two dollars; for each  
75 copy of any paper on file in the office of the commis-  
76 sioner, twenty cents a page and for copies of tabula-  
77 tions, forty cents a page and two dollars for certifying  
78 the same; and all other fees and charges due the  
79 commonwealth for any official act or service of the  
80 commissioner.





