

By Mr. Kitchen of Fall River, petition of Thomas E. Kitchen that classifications of risks and premium charges under the compulsory motor vehicle liability insurance law be uniform and subject to both merit and demerit ratings. Insurance.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Fifty-Four.

AN ACT PROVIDING THAT CLASSIFICATIONS OF RISKS AND PREMIUM CHARGES UNDER THE COMPULSORY MOTOR VEHICLE LIABILITY INSURANCE LAW SHALL BE UNIFORM THROUGHOUT THE COMMONWEALTH SUBJECT TO BOTH MERIT AND DEMERIT RATINGS, SO CALLED.

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 113B of chapter 175 of the General Laws,
2 as amended, is hereby further amended by inserting
3 after the first sentence the following sentences: —

4 In establishing such classification of risks and
5 premium charges the commissioner shall establish a
6 base rate applicable to the owners of all passenger
7 automobiles registered in the commonwealth for the
8 year nineteen hundred and fifty-five, which rate shall
9 also apply to owners registering automobiles for the
10 first time after that date. Said base rate shall be
11 reduced by five per cent for each year in which no
12 claim is paid on behalf of an owner; provided, however,
13 that the maximum total deduction shall be fifty per
14 cent of said base rate, which rate shall continue so
15 long as no claim is paid on behalf of a said owner.

16 During the year following any year in which a claim
17 is paid on behalf of an owner the rate shall be the

18 rate charged for the year during which said claim was
 19 paid plus the per cent thereof for each one hundred
 20 dollars or fraction thereof paid on behalf of said
 21 owner not exceeding fifty per cent. The rate so es-
 22 tablished shall be decreased by five per cent for each
 23 year thereafter during which no claim is paid on
 24 behalf of the owner; provided, that the maximum
 25 deduction therefrom shall be fifty per cent.