To accompany the petition of Daniel Rudsten that provision be made for the establishment of a State fund for the purpose of providing compensation for injuries and deaths due to motor vehicle accidents. Insurance.

The Commonwealth of Massachusetts

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

AN ACT ESTABLISHING A STATE FUND FOR THE PURPOSE OF PROVIDING COMPENSATION FOR INJURIES AND DEATHS DUE TO MOTOR VEHICLE ACCIDENTS.

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. Section 17 of chapter 6 of the General Laws is hereby amended by inserting after the word "Authority,", in line 11, as appearing in section 1 of chapter 511 of the acts of 1951, the words: — the board of commissioners of the state motor vehicle insurance fund.

2 Section 2. Chapter 6 of the General Laws is hereby amended by adding at the end the following two sections: —

4 Section 73. There is hereby established the State Motor Vehicle Insurance Fund, which shall be under the control and management of a board of commissioners to be known as the Board of Commissioners of the State Motor Vehicle Insurance Fund. Said board shall serve directly under the governor and council within the meaning of Article LXVI of the Amendments to the Constitution of the Commonwealth.
13 Section 74. The board of commissioners shall consist of three commissioners, one of whom shall be appointed biennially for a term of six years by the governor, with the advice and consent of the council. The governor shall designate one of said commissioners as chairman. The chairman shall receive such salary, not exceeding seven thousand dollars, and each of the other commissioners such salary not exceeding sixty-five hundred dollars, as the governor and council may determine. Said board is hereby vested with all the powers necessary to carry out the provisions of law relative to the fund. The chairman may appoint and remove a secretary and such deputies, clerks, physicians, attorneys and other assistants as the management of the said fund may require, and fix their compensation, terms of service and define their duties.

1 Section 3. Chapter 90 of the General Laws is hereby amended by striking out section 1A, as amended, and inserting in place thereof the following section:—

5 Section 1A. No motor vehicle or trailer, except one owned by a person, firm or corporation for the operation of which security is required to be furnished under section forty-six of chapter one hundred and fifty-nine, or one owned by any other corporation subject to the supervision and control of the department of public utilities or by a street railway company under public control or by the commonwealth or any political subdivision thereof, shall be registered under sections two to five, inclusive, unless the application therefor is accompanied by a contribution to the State Motor Vehicle Insurance Fund as required in section thirty-three A, and the payment of said contribution shall constitute an acceptance of the provisions of law relative to the State Motor Vehicle Insurance Fund, referred to in this chapter as the fund.
Section 4. Said chapter 90 is hereby further amended by adding after section 2A the two following sections:

Section 2B. A person who transfers the ownership of a registered motor vehicle or trailer, owned by him, to another motor vehicle or trailer, shall be entitled to the same benefits from the fund without payment of another contribution, as under the original registration, provided, that if a larger contribution is required to be paid into the fund for the second or subsequent vehicle, he shall pay the difference between the contribution paid for the vehicle previously registered and that required for the vehicle to which the registration is transferred.

Section 2C. A person who, before the first day of July in any year, surrenders his registration certificate and plates, or transfers the ownership or loses possession of any vehicle registered in his name and who does not apply for the registration of another vehicle, but who, on or before the first day of August in the same year, files in the office of the registrar a written application for a rebate accompanied by the certificate of registration and number plates, shall be entitled to a rebate of one half the contribution paid into the fund for such vehicle, provided that no such rebate shall be paid except upon a certificate filed with the comptroller, setting forth the facts and signed by the registrar or his authorized agent.

Section 5. Said chapter 90 is hereby further amended by striking out section 26, as most recently amended by section 2 of chapter 570 of the acts of 1953, and inserting in place thereof the following section:

Section 26. The operator or owner of every motor vehicle or trailer involved in an accident in which any person is killed or injured shall forthwith report in writing to the registrar. All reports shall be made on blank forms furnished by the registrar and shall
11 contain answers to such questions as the registrar 12 may deem necessary. The registrar may suspend, 13 without a hearing, the license or registration of any 14 person who violates this section.

1 Section 6. Said chapter 90 is hereby further 2 amended by inserting after section 29A the following 3 section: —
4 Section 29B. The registrar shall investigate every 5 accident where personal injury did in fact, or may, 6 result and the investigators shall file two reports, 7 (1) with the registrar relating such facts concern- 8 ing the accident as may aid in fixing responsibility 9 and liability, (2) with the board of commissioners 10 of the fund referred to in this chapter as the board, 11 containing a duplicate of that report filed with the 12 registrar and in addition a detailed account of all 13 material facts relative to personal injuries, claims 14 of injuries, or deaths. All expenses incidental to 15 the investigation of accidents including salaries and 16 expenses of investigators, shall be charged in equal 17 shares to the highway fund and the state motor ve- 18 hicle insurance fund.

1 Section 7. Said chapter 90 is hereby further 2 amended by inserting after section 31 the following 3 section: —
4 Section 31A. The board shall make rules and 5 regulations for the purpose of carrying out the pro- 6 visions of law relative to the fund and may alter, 7 amend, rescind or add to any rules previously made. 8 The rules and regulations made under this section 9 or any changes thereto, shall be subject to approval 10 by the governor and council. The said board, or 11 any one of them, or the secretary, or any deputy, 12 may summon and compel the attendance of wit- 13 nesses at any hearing or investigation pertaining to 14 any claims against the fund and may administer 15 oaths. They may also cause depositions to be taken.
Any person who swears or affirms falsely in regard to any matter or thing respecting which an oath or affirmation is required by the board or by this chapter, shall be deemed guilty of perjury. The fees for the attendance and travel of witnesses shall be the same as for witnesses before the superior court, and shall be paid by the commonwealth upon the certificate of the board filed with the comptroller. The supreme judicial or superior court may, upon the application of the board enforce all lawful orders of the board under this section.

Section 8. Said chapter 90 is hereby further amended by inserting after section 33 the following section:

Section 33A. The registrar or his authorized agent shall collect contributions to the State Motor Vehicle Insurance Fund as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>For every passenger automobile registered</td>
<td></td>
</tr>
<tr>
<td>before July 1</td>
<td>$16 00</td>
</tr>
<tr>
<td>after July 1 and before October 1</td>
<td>10 00</td>
</tr>
<tr>
<td>after October 1</td>
<td>5 00</td>
</tr>
<tr>
<td>For every commercial motor vehicle, trailer,</td>
<td></td>
</tr>
<tr>
<td>and semi-trailer, or repairman’s set of plates registered or issued before July 1</td>
<td>25 00</td>
</tr>
<tr>
<td>and before October 1</td>
<td>15 00</td>
</tr>
<tr>
<td>For every motor vehicle used for carrying passengers for hire registered before July 1</td>
<td>50 00</td>
</tr>
<tr>
<td>and before October 1</td>
<td>30 00</td>
</tr>
</tbody>
</table>
29 For every motor vehicle used for carrying passengers for hire registered after October 1 $20 00
30 For every motor cycle registered before July 1 16 00
31 For every motor cycle registered after July 1 and before October 1 10 00
32 For every motor cycle registered after October 1 5 00
33 For every electric or steam passenger automobile registered before July 1 12 00
34 For every electric or steam passenger automobile registered after July 1 and before October 1 6 00
35 For every electric or steam passenger automobile registered after October 1 3 00
36 For every commercial electric or steam motor vehicle registered before July 1 20 00
37 For every commercial electric or steam motor vehicle registered after July 1 and before October 1 10 00
38 For every commercial electric or steam motor vehicle registered after October 1 5 00
39 For every industrial motor truck, farm tractor, lawn mower or dock truck registered before July 1 5 00
40 For every industrial motor truck, farm tractor, lawn mower or dock truck registered after July 1 and before October 1 3 00
41 For every industrial motor truck, farm tractor, lawn mower or dock truck registered after October 1 2 00
42 For every set of number plates up to and including ten sets issued to a dealer before July 1 15 00
43 For every set of number plates up to and including ten sets issued to a dealer after July 1 and before October 1 10 00
44 For every set of number plates up to and including ten sets issued to a dealer after October 1 5 00
For every set of number plates issued to a dealer in excess of ten, before July 1 ... $10 00
For every set of number plates issued to a dealer in excess of ten after July 1 ... 5 00
For every motor vehicle registered by a person who makes a business of letting out said car to be driven by the person hiring it, if registered before July 1 ... 100 00
For every motor vehicle registered by a person who makes a business of letting out said car to be driven by the person hiring it, if registered after July 1 and before October 1 ... 50 00
For every motor vehicle registered by a person who makes a business of letting out said car to be driven by the person hiring it, if registered after October 1 ... 25 00
For every motor vehicle registered by a non-resident under the provisions of section three or section four of chapter ninety of the General Laws ... 5 00
The board, from time to time, after due hearing and investigation, may modify, alter, or revise the above classifications or any part thereof, or increase or decrease the contribution charges whenever it is deemed proper, expedient or necessary to secure or maintain fair and reasonable classifications and adequate, just or reasonable charges, provided that no such order shall apply to the classifications or contributions in connection with the registration of motor vehicles or trailers during the year in which the order is made. Any change in the classifications or contributions shall be filed with the registrar on or before September first of the year when made and shall become effective with regard to registrations for the succeeding year or until changed.

Section 9. Said chapter 90 is hereby further amended by inserting after section 34 the following eight sections:
Section 34J. The contributions received by the
5 registrar as provided in section thirty-three A, shall
6 be paid into the treasury of the commonwealth, and
7 shall be credited on the books of the commonwealth
8 to the State Motor Vehicle Insurance Fund, and
9 shall be used to meet the expenses necessary for ad-
10 ministration, including expenditures provided in
11 section twenty-nine A and section twenty-nine B.
12 The balance then remaining shall be used to carry
13 out the provisions of law relative to said fund. If
14 the contributions collected during any one year pro-
15 duce a larger revenue than is necessary for the pur-
16 pose of carrying out the said provisions of law, such
17 excess shall be distributed among the owners of
18 automobiles by lowering the contribution rates for
19 the following year. If the contributions collected
20 during any one year fail to produce a sufficient
21 revenue, such additional sum or sums as may be
22 required for that purpose, shall be provided by tem-
23 porary loan issued by the treasurer as an advance to
24 the fund, and such deficit shall be distributed among
25 the owners of motor vehicles by increasing the con-
26tribution rates for the following year. The board
27 shall repay such advance to the state treasury on or
28 before March first of the year following that in which
29 the advance was made.

30 Section 34K. A person paying a contribution to
31 the fund as required by section thirty-three A, shall
32 be deemed to have entered into a contract of in-
33 surance with the board whereby the said board agrees
34 to indemnify the registrant, or any person responsible
35 for the operation of the motor vehicle or trailer,
36 described in the certificate of registration, with his
37 express or implied consent, against loss by reason of
38 the liability to pay damages to others for bodily
39 injuries, including death, at any time resulting
40 therefrom sustained during the term of the contract
41 by any person other than the employees of the
42 registrant or of any such other persons responsible
43 as aforesaid who are entitled to payments or bene-
fits under the provisions of chapter one hundred and fifty-two of the General Laws, and arising out of the ownership, operation, maintenance, control, or use, upon the ways of the commonwealth of Massachusetts, of such motor vehicle or trailer, to the amount or limit of five thousand dollars, on account of injury to or death of any one person, and subject to such limits as respects injury to or death of one person, of ten thousand dollars, on account of any one accident resulting in injury to, or death of more than one person. The contract of insurance shall terminate upon the expiration of the certificate of registration or upon the revocation or suspension of the certificate of registration, with reference to accidents occurring after said expiration, revocation, or suspension, but shall again be in full force and effect upon the rescission of the revocation and reinstatement of the certificate of registration, with reference to accidents occurring after reinstatement.

Section 34L. The board shall defend, or may settle in the name and on behalf of the assured, any claims, suits, or other legal proceedings alleging injuries and demanding damages on account thereof, although such claims, suits, legal proceedings, allegations and demands may appear to be wholly groundless, and shall also pay all expenses for investigations, negotiations for settlement or defense of any claims for injuries and of suits or legal proceedings arising therefrom; any expense incurred by the assured for such immediate medical or surgical relief as shall be imperative at the time any such injuries are sustained; all costs taxed against the assured in any such proceedings, and all interest accruing before or after entry of judgment and up to the date of payment, tender or deposit in the court by the board of the fund's share of any judgment. Any person who is insured by the fund and who settles any claim made against him which is covered by the fund without the written consent of a member of the
board shall forfeit any right to be indemnified by the fund.

Section 34M. The fund shall be subrogated in case of any payment under this chapter to the extent of such payment, to all rights of recovery herefor of the assured or any other person claiming hereunder, against persons, corporations, associations or estates, and the assured or any other person claiming hereunder shall execute all papers required and shall co-operate with the board to secure whatever rights the fund may have.

Section 34N. A judgment creditor of any person insured by the fund, whose judgment is not satisfied at the expiration of thirty days after its rendition either by the fund or the judgment debtor, may bring a bill in equity under clause ten of section three of chapter two hundred and fourteen of the General Laws to enforce payment by the fund within the limits fixed by section thirty-four K. Process in such suit shall be served on any member of the board or the secretary and any execution issued thereon shall be paid by the state treasurer out of the money belonging to the fund upon presentation to him of a certified copy of the execution. No member of the board shall be personally liable for any claim against the fund or any person insured by it.

Section 34O. The board shall file annually with the insurance commissioner a report showing assets and liabilities computed on the same basis as assets and liabilities of insurance companies so far as applicable, and the fund may be examined at any time by the insurance commissioner as provided in section four of chapter one hundred and seventy-five for the examination of domestic insurance companies.

Section 34P. Actions of tort against persons insured by the fund shall be commenced only within one year from the date of the accident and equity suits against the fund by judgment creditors of such persons shall be brought only within one year after rendition of judgment.
Section 34Q. Whoever in connection with any claim for damages, for death or personal injuries against any person insured by the fund, makes or presents, or acts or aids in making or presenting to the fund, or to any of its commissioners, or agents, any wilfully false statement in respect to any material fact or thing pertaining to such a claim with intent to deceive or defraud the fund, or any of its commissioners or agents, shall be punished by a fine of not less than one hundred nor more than one thousand dollars, or by imprisonment for not less than one month, nor more than one year. Whoever obtains any money from the fund by means of any such statement shall be punished by imprisonment for not less than one month nor more than two and one half years. If it appears to the commissioners of the fund or to any of them that any person has violated this section, they or he shall forthwith report the facts in writing to the attorney general, or to the proper district attorney, who shall cause the offender to be prosecuted therefor.

Section 10. The treasurer of the commonwealth shall provide by temporary loan a sum sufficient for organizing and carrying on the work of the board, the same to be paid upon written requisition by the chairman of the board. Any sums so advanced shall be repaid to the commonwealth on or before March first of the year following.

Section 11. This act shall not authorize the collection of contributions in connection with the registration of motor vehicles which become effective prior to the first day of January, nineteen hundred and fifty-five.