
To accompany the petition of Silvio O. Conte and Joseph F. McEvoy, Jr., for legislation relative to the issuance and classification of policies insuring against nuclear energy hazards. Insurance.

The Commonwealth of Massachusetts

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

AN ACT RELATING TO THE ISSUANCE AND CLASSIFICATION OF POLICIES INSURING AGAINST NUCLEAR ENERGY HAZARDS.

1 *Whereas*, The deferred operation of this act would tend to
2 defeat its purpose which is to enhance the economy of the
3 Commonwealth by encouraging the immediate peacetime use
4 of atomic power through insurance protection, therefore it is
5 hereby declared to be an emergency law, necessary for the im-
6 mediate preservation of the public convenience.

*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 18 of chapter 175 of the General Laws,
2 as most recently amended by section 2 of chapter 80 of the
3 acts of 1928, is hereby further amended by inserting after the
4 words "one hundred and two A", in the first paragraph
5 thereof, the words: — one hundred and two C.

1 SECTION 2. Section 80 of said chapter 175, as most re-
2 cently amended by chapter 315 of the acts of 1956, is hereby
3 further amended by striking out the second paragraph and
4 inserting in place thereof the following paragraph: —

5 Notwithstanding any other provision of this chapter,
6 (a) policies insuring only against legal liability for loss or
7 damage to person or property caused by nuclear energy
8 hazards; (b) policies insuring against loss or damage by

9 radioactive contamination, whether or not also insuring
10 against one or more other perils proper to insure against in
11 this commonwealth, to production or utilization facilities as
12 defined in section eighty-five of chapter six or to other nu-
13 clear reactors, and the structures appurtenant to such facili-
14 ties or reactors and designed for use in connection therewith,
15 or to any property designed or used for the separation of the
16 isotopes of uranium or plutonium or for the processing, fabri-
17 cating or alloying of special nuclear material or for the process-
18 ing or storage of used nuclear fuel or by-product material;
19 and (c) policies insuring only against loss or damage to prop-
20 erty by flood or loss or damage to property by waves or over-
21 flow of tidal water, may, in like manner, and with the written
22 approval of the commissioner, and upon such conditions, if
23 any, as he may prescribe, be placed in a classification or class-
24 fications separate from those for policies classified under the
25 first paragraph of this section, and the percentages of divi-
26 dend for policies placed in any classification made under this
27 paragraph may be different from those for policies placed in
28 any other classification made under this or the first paragraph.
29 The provision of the first paragraph of this section requiring
30 the endorsing of policies shall not apply to policies classified
31 under this paragraph, nor shall it apply to other policies if all
32 such other policies except policies written on an indivisible
33 premium basis are in one classification.

1 SECTION 3. Chapter 175 of the General Laws is hereby
2 amended by inserting after section 102B the following sec-
3 tion: —

4 *Section 102C.* Two or more stock or two or more mutual
5 companies authorized to transact business under either the
6 first or the fifth clause of section forty-seven may issue a
7 single policy of insurance against loss or damage to property
8 by radioactive contamination, whether or not such policy also
9 includes insurance against loss or damage to property by one
10 or more other perils proper to insure against in this common-
11 wealth, or includes insurance against loss of use or occu-
12 pancy, on which each company shall be severally liable for a
13 specified percentage of any loss or claim. Such a policy may
14 be executed on behalf of the companies by a duly authorized

15 person and need not be countersigned by a resident agent of
16 more than one of such companies in the commonwealth.

17 No such policy shall be issued or delivered until a copy of
18 the form thereof has been on file for thirty days with the com-
19 missioner, unless before the expiration of such thirty days he
20 shall have approved the form of the policy in writing; nor if
21 the commissioner notifies the company in writing within said
22 thirty days that in his opinion the form of the policy does not
23 comply with the laws of the commonwealth, specifying his
24 reasons therefor; provided, that such action shall be subject
25 to review by the supreme judicial court; nor unless the cor-
26 porate name of each company is affixed thereto; nor unless it
27 contains in substance: —

28 (1) A provision plainly specifying the percentage of any
29 loss or claim for which each company shall be liable.

30 (2) A provision that any notice, sworn statement or proof
31 of loss which may be required by the provisions of said policy
32 may be rendered, made or given to any one of the companies
33 or to the agent named in the policy as the duly authorized
34 agent of the companies, and that such notice, sworn state-
35 ment or proof of loss so rendered, made or given shall be
36 valid and binding as to all of such companies.

37 (3) A provision that, in any action or suit under the policy,
38 service of process may be made on any one of such companies,
39 and that such service shall be deemed valid and binding serv-
40 ice upon all of such companies.

41 The provisions of sections seventy-six, eighty, eighty-one
42 and eighty-three shall apply to policies issued under this sec-
43 tion by mutual companies except as hereinafter provided.

44 The person insured under such a policy issued by mutual
45 companies shall be deemed to be a member of each company
46 while the policy is in force and entitled to one vote at the
47 meetings of each company.

48 The notice, endorsement and statement required by said
49 sections seventy-six, eighty and eighty-one, respectively, shall
50 be in such form and in such place on the policy as the com-
51 missioner may prescribe.

52 The dividends under said section eighty and the contingent
53 mutual liability, if any, of the insured under said sections
54 eighty-one and eighty-three shall be computed or based, for

55 each company, on such proportion of the total premium for
56 the policy as the amount insured by such company bears to
57 the total amount insured under the policy.

58 The notice to policyholders required by said section eighty
59 shall be sent by each such company to the insured.

60 Nothing in this section shall be construed as affecting, ex-
61 cept as provided herein, any provision of law relative to the
62 rights, powers, duties and liabilities of mutual fire companies
63 and persons insured thereby.

1 SECTION 4. Section 111A of chapter 175 of the General
2 Laws, as most recently amended by section 3 of chapter 80
3 of the acts of 1928, is hereby further amended by inserting
4 after clause (4) the following paragraph: —

5 Notwithstanding any other provision of this chapter, two
6 or more stock companies or two or more mutual companies
7 may issue a single policy of insurance against legal liability
8 for loss or damage to person or property caused by nuclear
9 energy hazards on which such companies shall be severally
10 liable for a specified percentage of any loss or claim. Such
11 a policy may be executed on behalf of the companies by a
12 duly authorized person and need not be countersigned by a
13 resident agent of more than one of such companies in the
14 commonwealth. Such a policy need not be headed by the
15 corporate names of all the companies provided the corporate
16 name of each company is affixed and need not include the pro-
17 vision numbered (five) in section one hundred and two A. In
18 lieu of the provision numbered (one) of this section, such a
19 policy shall plainly specify the percentage of any loss or claim
20 for which each such company shall be liable, and, in lieu of
21 the provision numbered (two) of this section, such a policy
22 shall include a provision that any notice, sworn statement or
23 proof of loss which may be required by the provisions of the
24 policy may be rendered, made or given to any one of such
25 companies or to the agent named in the policy as the duly
26 authorized agent of the companies, and that such notice,
27 sworn statement or proof of loss so rendered, made or given,
28 shall be valid and binding as to all of such companies. Such
29 policies shall be subject to the provisions of this section ex-
30 cept as otherwise provided in this paragraph.