

SENATE No. 455

Accompanying the petition of Clarence W. Hobbs relative to the transaction of business by fraternal benefit societies whose membership is limited to certain members of trade unions. Insurance.

The Commonwealth of Massachusetts.

In the Year One Thousand Nine Hundred and Twenty-Two.

AN ACT

Relative to Fraternal Benefit Societies whose Membership is limited to Certain Members of Trade Unions.

1 *Whereas*, The deferred operation of this act
2 would tend to deprive certain societies of the
3 rights to which they were previously entitled by
4 law and hence to defeat its purpose, therefore it
5 is hereby declared to be an emergency law,
6 necessary for the immediate preservation of the
7 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 forty-six of chapter one hundred and
2 seventy-six of the General Laws, as amended by
3 section one of chapter one hundred and fifty-five

4 of the acts of nineteen hundred and twenty-one,
5 is hereby further amended by inserting after the
6 word "member", in the twenty-sixth line the
7 words: — and a society either domestic or foreign
8 which confines its membership to members of
9 organizations defined in the second sentence of
10 section twenty-nine of chapter one hundred and
11 seventy-five, and which embraces therein only
12 persons of the same occupation, — so as to read
13 as follows: — *Section 46.* A domestic society
14 which limits its membership as provided in sec-
15 tion four, or which limits its membership to the
16 members and ex-members of any social organi-
17 zation having a lodge system and secret form of
18 work; or a secret order or fraternity which
19 operates on the lodge system with a representa-
20 tive form of government and grants insurance
21 benefits as incidental only to the work of the
22 order or fraternity; or a purely charitable asso-
23 ciation or corporation existing on May twenty-
24 third, nineteen hundred and one, any one of
25 which pays a death or funeral benefit limited to
26 not more than two hundred dollars, disability
27 benefits not exceeding ten dollars a week, or any
28 or all of such benefits or a domestic society
29 which limits its membership as provided in said
30 section four to the employees of a designated
31 firm, business house or corporation, or any de-
32 partment thereof, and pays disability benefits
33 not exceeding fifteen dollars a week, and which is
34 not conducted as a business enterprise or for
35 profit, and a subordinate lodge of a secret fra-

36 ternity or order as defined in this section which
37 is not conducted as a business enterprise or for
38 profit, which pays death benefits to families or
39 dependents of deceased members as fixed by its
40 by-laws, but not more than two hundred dollars
41 if the lodge membership is two hundred or less,
42 and if over two hundred not in excess of the
43 amount of an assessment of one dollar upon each
44 member thereof in good standing at the time of
45 the death of the member, and a society either
46 domestic or foreign which confines its member-
47 ship to members of organizations defined in the
48 second sentence of section twenty-nine of chapter
49 one hundred and seventy-five, and which em-
50 braces therein only persons of the same occupa-
51 tion, may transact business in the common-
52 wealth without conforming to the provisions of
53 this chapter, chapter one hundred and seventy-
54 five, or chapter one hundred and seventy-seven,
55 except this section and sections twenty-nine,
56 thirty and thirty-six; provided that no proceed-
57 ing shall be instituted under said section thirty-
58 six because such society has a membership of
59 less than four hundred. The seventh clause of
60 section five of chapter fifty-nine shall apply to
61 such a society.

62 Any society transacting business under this
63 section may, in the event of the death of the wife
64 of a member, pay to said member a part of the
65 amount payable at said member's death; pro-
66 vided that the amount so paid shall be deducted
67 from the amount payable at the member's death,

68 and that the total amount so paid, both at the
69 death of the member and of the member's wife,
70 shall not exceed the amount allowed by this
71 section to be paid at the death of a member.
72 Any such society may also furnish physicians
73 and nurses for its members and their families.

74 Any such limited society may be incorporated,
75 and limited fraternal benefit corporations may be
76 formed, in the manner prescribed in and be sub-
77 ject to this section and to sections six, seven, nine,
78 ten, twenty-nine, thirty, thirty-two and thirty-
79 six and the seventh clause of section five of
80 chapter fifty-nine; provided that no proceeding
81 shall be instituted under said section thirty-six
82 because such society has a membership of less
83 than four hundred.

84 The recording officer of any organization sub-
85 ject to this or the preceding section failing to file
86 a certified copy of its by-laws with the commis-
87 sioner, whenever he so requires in writing, and
88 also such organization shall be punished by a fine
89 of not more than two hundred dollars.