

HOUSE No. 1248

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, March 8, 1933.

The committee on Insurance, to whom was referred the message from His Excellency the Governor recommending legislation to provide for maintenance of the activities of insurance companies during the existing emergency (House, No. 1247), report the accompanying bill (House, No. 1248).

For the committee,

PHILIP BARNET.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Thirty-Three.

An Act providing further for the Maintenance of the Banking Structure of the Commonwealth by the Regulation of the Business of Insurance Companies during the Present Emergency.

1 *Whereas*, The present abnormal disruption in the
2 economic and financial processes in the common-
3 wealth and elsewhere requires that this act be ef-
4 fective forthwith, therefore it is hereby declared to
5 be an emergency law, necessary for the immediate
6 preservation of the public safety and 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. During the period of the banking
2 emergency proclaimed by the governor on March
3 sixth of the current year under section one of chapter
4 fifty-nine of the acts of the current year and during
5 any further period for which it may be extended as
6 hereinafter authorized with respect to insurers, and
7 until such period or such period as extended as afore-
8 said is terminated under said section one or is termi-
9 nated as hereinafter authorized with respect to in-
10 surers, the commissioner of insurance, hereinafter
11 called the commissioner, in addition to all other
12 powers conferred upon him by law, shall have au-

13 thority to suspend, in whole or in part, any provision
14 of the laws of the commonwealth relative to insur-
15 ance, to order any one or more insurers to restrict
16 all or any part of their business, to limit or postpone
17 for any length of time the payment of any amounts
18 payable under the terms of any of its policies of in-
19 surance, annuity or pure endowment contracts, and
20 to make, rescind, alter and amend such rules and
21 regulations governing the conduct of the business of
22 any insurers as he may deem necessary or expedient
23 to maintain sound methods of insurance and to safe-
24 guard the interests of holders of such policies and
25 contracts, beneficiaries thereunder and the interest of
26 the public. He may issue such order or orders as he
27 may find necessary or expedient to enforce such rules
28 or regulations and he may at any time amend, extend
29 or revoke, in whole or in part, any order made here-
30 under when in his judgment circumstances warrant
31 or require. Authority is hereby given to the governor,
32 by proclamation, to extend or terminate for the pur-
33 poses of this act only, the banking emergency pro-
34 claimed under said section one. After the termina-
35 tion of any such emergency, any such rule, regulation
36 or order may be continued in effect with respect to
37 any particular insurer or insurers, if in the judgment
38 of the commissioner circumstances warrant or require
39 and the governor approves. The word "insurer" or
40 "insurers", as used in this act shall include all corpo-
41 rations, associations, societies, orders, partnerships
42 and individuals to any extent subject to the super-
43 vision or control of the commissioner.

1 SECTION 2. Any violation of any order issued
2 under this act, or of any provision of any rule or regula-

tion made by the commissioner pursuant thereto, shall
be punished by a fine of not more than one thousand
dollars or by imprisonment for not more than one
year, or both.

SECTION 3. If any provision of this act is held
invalid by any court of final jurisdiction, no other
provision shall be affected by such decision, but the
same shall remain in full effect.