

# HOUSE . . . . No. 952

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By Mr. Miller of Boston (by request), petition of Maurice M. Goldman relative to the guarantee of a self-insurer's ability to pay workmen's compensation benefits. Labor and Industries.

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## The Commonwealth of Massachusetts

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In the Year One Thousand Nine Hundred and Forty-Five.

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AN ACT RELATIVE TO THE GUARANTEE OF A SELF-INSURER'S ABILITY TO PAY WORKMEN'S COMPENSATION BENEFITS.

*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 twenty-five A of chapter one  
2 hundred and fifty-two of the General Laws, inserted  
3 by section seven of chapter five hundred and twenty-  
4 nine of the acts of nineteen hundred and forty-three, is  
5 hereby amended by striking out sub-paragraph (2) (c)  
6 and inserting in its place the following: —  
7 (c) As a further guarantee of a self-insurer's ability  
8 to pay the benefits provided by this chapter to  
9 injured employees, the department may require  
10 that a self-insurer insure his compensation risk against  
11 extraordinary losses caused by any one disaster, and  
12 such insurance, when so required, shall be placed  
13 only with an insurance company authorized to do  
14 business in this commonwealth.

1 SECTION 2. Section one of chapter one hundred  
2 and seventy-five of the General Laws, as appearing  
3 in the Tercentenary Edition, is hereby amended by  
4 inserting after the last paragraph the following new  
5 paragraph: —

6 “Reinsurance” is a contract whereby one insurance  
7 company, for a consideration, agrees to indemnify  
8 another insurance company wholly or partially against  
9 loss or liability by reason of a risk the latter company  
10 has assumed under a separate and distinct contract  
11 as insurer of a third party.