

By Mr. Miller of Boston (by request), petition of Maurice M. Goldman for legislation to make certain the payment of workmen's compensation benefits to employees of self-insurers. Labor and Industries.

The Commonwealth of Massachusetts

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

AN ACT TO MAKE CERTAIN THE PAYMENT OF WORKMEN'S
COMPENSATION BENEFITS TO EMPLOYEES OF SELF-
INSURERS.

1 *Whereas*, It was the intent of the legislature in the
2 nineteen hundred and forty-three session in the enact-
3 ment of chapter five hundred and twenty-nine of the
4 acts of nineteen hundred and forty-three that every em-
5 ployer subject to the act shall provide for the payment
6 to his employees either by workmen's compensation
7 insurance or by qualifying as a self-insurer; and

8 *Whereas*, It was the intent of the legislature in the
9 nineteen hundred and forty-three session after many
10 public hearings not to permit an aggregate stop-loss
11 policy to be used in this commonwealth in connection
12 with workmen's compensation; and

13 *Whereas*, The legislature in the nineteen hundred
14 and forty-three session refused to enact any statutory
15 provision which would legalize aggregate stop-loss
16 policies; and

17 *Whereas*, It was the intent of the legislature in the

18 nineteen hundred and forty-three session that aggregate stop-loss policies ought not to be authorized; and
19
20 *Whereas*, The deferred operation of this act would
21 tend to defeat its purpose, which is to make certain
22 immediately the payment of workmen's compensation
23 benefits to employees of self-insurers, this act is there-
24 fore declared to be an emergency law necessary for
25 immediate 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 twenty-five A, subparagraph
2 (2) (c) of chapter one hundred and fifty-two of the
3 General Laws, inserted by section seven of chapter five
4 hundred and twenty-nine of the acts of nineteen hun-
5 dred and forty-three, is hereby amended by adding
6 at the end thereof the following: —

7 Every contract, agreement or aggregate stop-loss
8 policy not required by the department, the purpose of
9 which is to insure or reinsure a self-insurer in whole or
10 in part against his compensation risks, shall be void
11 unless it also insures the payment to the employee
12 of the compensation provided for by this chapter,
13 and no such contract, agreement or aggregate stop-
14 loss policy shall be issued or delivered without the
15 approval of the commissioner of insurance. The deci-
16 sion of the insurance commissioner shall be subject
17 to review by the supreme judicial court.

1 SECTION 2. This act shall take effect upon its
2 passage.