
By Mrs. Moran of Somerville, petition of the Commonwealth Citizens' League, Inc., and William J. Moran for the creation of a state control board to assist in fixing and establishing non-discriminatory premium charges for motor vehicle liability insurance. Insurance.

The Commonwealth of Massachusetts

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

AN ACT CREATING A STATE CONTROL BOARD TO ASSIST IN THE FIXING AND ESTABLISHING OF REASONABLE, JUST AND NON-DISCRIMINATORY PREMIUM CHARGES FOR MOTOR VEHICLE LIABILITY INSURANCE.

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. Chapter 26 of the General Laws is hereby
2 amended by inserting after section 8A the following section:—
3 *Section 8B.* There shall be in the division of insurance a
4 control board which shall investigate and compile a detailed
5 record of automobile accident statistics of all insurance com-
6 panies authorized to issue motor vehicle policies in this state,
7 and such data, statistics, schedules or other information as it
8 may deem necessary are to be provided by the insurers. In
9 addition, said board shall obtain copies of all accident reports
10 filed with the registry of motor vehicles and chief of police of all
11 communities of the commonwealth on a continual basis and shall
12 use said reports to check the accident statistics obtained from
13 insurance companies, for the purpose of assisting the commis-
14 sioner of insurance in the annual fixing and establishment of fair
15 and reasonable classifications of risks, and adequate, just, rea-
16 sonable and non-discriminatory premium charges for motor
17 vehicle liability insurance. The chief of said control board shall
18 annually report the results of its investigation and study, and its
19 recommendations, to the commissioner of insurance, who shall
20 thereafter fix and establish said classifications and charges, as
21 provided in section one hundred and thirteen B of chapter one

22 hundred and seventy-five, for the following year. No other
23 board or agency shall have any control over or participate in such
24 establishment and fixing. In addition said state control board
25 shall be the only determining body authorized to establish motor
26 vehicle insurance, age classifications and territorial zones within
27 the commonwealth. All costs of administration and operation
28 of said board shall be borne by liability insurance companies
29 doing business within the commonwealth, and the commissioner
30 shall apportion such costs among all such companies, and shall
31 assess them for the same, on a fair and reasonable basis.

1 SECTION 2. Persons employed in the control board established
2 by this act shall not derive any salary, commission, interest or
3 other remuneration from the insurance industry, nor shall any
4 such person retain stocks or bonds in any corporation engaged
5 in the insurance business during his term of office, nor for a
6 period of five years thereafter.