

HOUSE No. 279

Bill accompanying the petition of the Massachusetts State Branch of the American Federation of Labor that insurance companies be prohibited from participating in workmen's compensation for the establishment of a state insurance fund, and for compulsory participation in workmen's compensation by employers. Joint Judiciary. January 13.

The Commonwealth of Massachusetts.

In the Year One Thousand Nine Hundred and Twenty.

AN ACT

Prohibiting Insurance Companies from participating in Workmen's Compensation, establishing a State Insurance Fund, and providing for Compulsory Participation in Workmen's Compensation Law by Employers.

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. All liability insurance companies are pro-
2 hibited from insuring the liability to pay the compensa-
3 tion provided for by the workmen's compensation act,
4 so-called, chapter seven hundred and fifty-one of the
5 acts of nineteen hundred and eleven and amendments
6 thereto.

1 SECTION 2. The industrial accident board shall clas-
2 sify employments with respect to their degree of hazard,
3 and determine the risks of the different classes and fix
4 the rates of premium of the risks of the same, based upon
5 the total pay roll and number of employees in each of
6 said classes of employment, sufficiently large to provide
7 an adequate fund for the compensations provided for in
8 this act, and to create a surplus sufficiently large to
9 guarantee a state insurance fund from year to year.

1 SECTION 3. The industrial accident board under the
2 supervision of the insurance commissioner shall establish
3 a state insurance fund from premiums paid thereto by
4 employers and employees as herein provided, according
5 to the rates of risk in the classes established by it, as
6 herein provided, for the benefit of employees of employers
7 that have paid the premium applicable to the classes
8 to which they belong and for the benefit of the depend-
9 ents of such employees, and shall adopt rules and regu-
10 lations with respect to the collection, maintenance and
11 disbursement of said fund.

1 SECTION 4. The treasurer and receiver general shall
2 be the custodian of the state insurance fund, and all dis-
3 bursement therefrom shall be paid by him, but only upon
4 vouchers signed by any member of the industrial accident
5 board.

1 SECTION 5. It shall be compulsory upon every em-
2 ployer of labor within the commonwealth of Massachu-
3 setts, excepting those classes of employers which are now
4 exempt under the workmen's compensation act, to insure
5 against liability to pay compensation under the provisions
6 of the workmen's compensation act, so-called, and it shall

7 be unlawful for any employer to continue to do business
8 unless he has so insured. The provisions of this section
9 shall be enforced by the supreme judicial court by in-
10 junction or other appropriate remedy on information and
11 complaint laid before it by the attorney general.

1 SECTION 6. All acts and parts of acts inconsistent
2 herewith are hereby revoked.

1 SECTION 7. This act shall take effect upon the first
2 Monday of January, nineteen hundred and twenty-one.

