
By Mr. Aylmer, a petition (accompanied by bill, Senate, No. 898) of John F. Aylmer, Jeremiah F. Cahir and Haden G. Greenhalgh for legislation to establish a municipal liability insurance fund. Local Affairs.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty-one.

AN ACT ESTABLISHING A MUNICIPAL LIABILITY INSURANCE FUND.

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 13 of Chapter 40 of the General Laws is
2 hereby amended by striking out the last sentence of the first
3 paragraph and inserting in place thereof the following sen-
4 tence: —

5 Such fund shall be managed and administered by the sink-
6 ing fund commissioners of the city or town if any, otherwise
7 by the commissioners of trust funds of the city or town, if
8 any, otherwise by the Board of Selectmen of the town.

1 SECTION 2. Section 13A of Chapter 40 of the General Laws
2 is hereby amended by striking out the second sentence and
3 inserting in place thereof the following sentence: —

4 Such fund shall be managed and administered by the sink-
5 ing fund commissioners of the city or town, if any, otherwise
6 by the commissioners of trust funds of the city or town, if
7 any, otherwise by the Board of Selectmen of the town.

1 SECTION 3. Chapter 40 of the General Laws is hereby
2 amended by inserting after Section 13A the following sec-
3 tion: —

4 *Section 13B.* A town which at a town meeting, or a city
5 which by its city council accepts this section, or has in like
6 manner accepted corresponding provisions of earlier laws, may
7 appropriate an amount not exceeding in any one year one
8 twentieth of one per cent of its equalized valuation, as de-

9 fined in section one of Chapter Forty-Four, to establish and
10 maintain a municipal liability insurance fund from which any
11 tort liability losses of judgments may be paid after it is
12 determined by the appropriate authority such as town or city
13 counsel, that the city or town is liable; but no money shall
14 be appropriated for such purpose while the fund equals or
15 exceeds one per cent of such equalized valuation. Such fund
16 shall be managed and administered by the sinking fund com-
17 missioners of the city town, if any, otherwise by the com-
18 missioners of trust funds of the city or town, if any, otherwise
19 by the Board of Selectmen of the town.

20 If a city or town which has established such a fund in ac-
21 cordance with this section has neglected or failed for a period
22 of five consecutive years to appropriate such fund, for any
23 reason other than that the maximum amount authorized by
24 this section has been accumulated, it may vote appropriations
25 from such fund and the income therefrom for the purpose of
26 paying a proper charge for effecting public liability insurance
27 on municipal property and operation; provided that nothing
28 in this paragraph shall prevent any city or town from appro-
29 priating money for effecting public liability insurance under
30 authority of any other general or special law applicable
31 thereto.