

By Mr. McIntyre of New Bedford, petition of Joseph B. McIntyre, Frank M. Hynes, William Q. MacLean, Jr., Roger R. Goyette, Roger L. Tougas and Patricia G. Fiero for legislation to regulate marine insurance. Insurance.

The Commonwealth of Massachusetts

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

AN ACT FURTHER REGULATING MARINE 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 175 § 94A of the General Laws is
2 amended by inserting the following paragraph after the second
3 paragraph:

4 "Commercial Fishing Boat Owner" an individual partnership
5 or corporation holding title to an ocean going vessel, commonly
6 known as a fishing dragger, both inshore and offshore, or a lobster
7 boat, as well as any other ocean going vessel that is used in the
8 regular course of business to harvest finfish, shellfish, or other
9 produce of the sea.

1 SECTION 2. Chapter 175 § 94B is amended by adding after
2 the word "corporations" in the first sentence:

3 "as well as commercial fishing boat owners".

1 SECTION 3. Chapter 175 § 94D(G) is amended by adding the
2 following sentence.

3 "Notwithstanding any law to the contrary, a reciprocal
4 insurance exchange consisting of subscribers who are commercial
5 fishing boat owners, as defined in § 94A of this chapter, issuing
6 policies under the second and twelfth paragraphs of § 47 of this
7 chapter may, in the alternative, at their election, obtain a surety
8 bond, an additional insurance policy, or reinsurance of the

9 premium reserves, in an amount not less than that required for
10 the surplus reserve, in lieu of said surplus reserve.

1 SECTION 4. Chapter 175 § 94F is amended by adding the
2 following statement:

3 “However, no license for a reciprocal insurance exchange con-
4 sisting of subscribers who are commercial fishing boat owners,
5 shall be issued until the applicant has submitted to the commis-
6 sioner the standards of risk management to be used in evaluating
7 admissions and policy renewals, and have been certified by the
8 commissioner as being reasonably calculated to provide a risk low
9 enough to permit the reciprocal insurance exchange to remain
10 solvent.”

1 SECTION 5. Chapter 175 § 25 is amended by adding the
2 following sentence after the first sentence.

3 “Except that with respect to a reciprocal insurance exchange
4 consisting of subscribers who are commercial fishing boat owners,
5 the Commissioner of Insurance is permitted to modify or waive
6 said requirements, in whole or in part.