

HOUSE No. 83.

Commonwealth of Massachusetts.

HOUSE OF REPRESENTATIVES, Feb. 16, 1892.

The committee on Insurance, who were instructed to inquire into the expediency of exempting mutual boiler insurance companies from the provisions of chapter 214 of the Acts of the year 1887, report the accompanying Bill.

For the Committee,

RICHARD F. BARRETT.

Commonwealth of Massachusetts.

In the Year One Thousand Eight Hundred and Ninety-two.

AN ACT

Concerning the Amount which a Mutual Boiler Insurance Company may have at Risk.

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 of chapter two
2 hundred and fourteen of the acts of the year one
3 thousand eight hundred and eighty-seven, as
4 amended by chapter three hundred and sixty-
5 eight of the acts of the year one thousand eight
6 hundred and ninety-one, is hereby amended by
7 the addition of the following words at the end
8 thereof, to wit:—“*Provided, however, that a*
9 mutual boiler insurance company of this Com-
10 monwealth may insure in a single risk an amount
11 not exceeding one-fourth of its net assets.” So
12 that the section shall read as follows:—

13 *Section 20.* No company authorized to trans-
14 act the business of insurance in this Common-

15 wealth shall directly or indirectly contract for
16 or effect any reinsurance of any risk or part
17 thereof taken by it on property in this Common-
18 wealth with any company not authorized to
19 transact such business of insurance in this Com-
20 monwealth; *provided, however,* that if it shall be
21 found impossible to obtain in the companies
22 authorized to transact business in this Common-
23 wealth a sufficient amount of insurance to cover
24 any single risk, reinsurance of policies upon such
25 risk may be permitted in companies not so au-
26 thorized; and whenever any such reinsurance shall
27 be transacted the company effecting the same
28 shall make a sworn report thereof to the insurance
29 commissioner at the time of filing its annual state-
30 ment, and at such other times as he may request,
31 and such reinsurance shall not reduce the reserve
32 which would otherwise be required on account of
33 the original policy, or reduce the taxes which
34 would otherwise be chargeable, or increase the
35 amount it is authorized to have at risk in any town
36 or fire insurance district. And no company shall
37 insure in a single hazard a larger sum than one-
38 tenth of its net assets. *Provided, however,* that a
39 Mutual Boiler Insurance Company of this Com-
40 monwealth may insure in a single risk an amount
41 not exceeding one-fourth of its net assets.

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

