

HOUSE No. 161

Bill accompanying the petition of Armidas J. Cote for legislation to authorize cities and towns to maintain fire insurance departments. Insurance. January 14.

Commonwealth of Massachusetts.

In the Year One Thousand Nine Hundred and Nine.

AN ACT

To authorize Cities and Towns to maintain Fire Insurance Departments.

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. Cities and towns are hereby author-
2 ized to issue fire insurance policies to guarantee
3 the reimbursement to owners of buildings and per-
4 sonal properties all loss incurred to them when
5 accidentally caused by fire, smoke and water when
6 water or other liquid substance is used to ex-
7 tinguish fire; also authorizing this commonwealth
8 of Massachusetts in conjunction with cities and
9 towns to establish and maintain in each respective
10 locality a sinking mutual fire insurance fund, at

11 no time exceeding the total valuation of each re-
12 spective locality or the commonwealth of Massa-
13 chusetts.

14 When such fire insurance sinking fund in each
15 respective location is above the total valuation of
16 buildings and personal properties sixty cents of
17 every dollar shall be used by the city or town in
18 lowering tax rates.

1 SECTION 2. The mayor, board of aldermen and
2 council of each city and selectmen of towns shall
3 have power in determining who will issue fire in-
4 surance policies, also who shall receive money that
5 shall be paid in each respective locality for fire in-
6 surance policies; also declare when and why fire
7 insurance policies shall be void.

8 The treasurer of this commonwealth shall re-
9 ceive and keep as a sinking fund all money paid to
10 him as hereinafter stated, to be used only in giv-
11 ing assistance in locality needed.

1 SECTION 3. The cost of fire insurance policies
2 until ten years after the maintenance of a local fire
3 insurance department by cities and towns in this
4 commonwealth only shall be one dollar for every
5 thousand dollars' value of building or personal
6 property.

1 SECTION 4. Cities and towns having a fire insur-
2 ance department shall use all money paid for in-
3 surance policies in the following manner:—

4 For each dollar received sixty cents shall be used
5 as a local sinking fire insurance fund.

6 For each dollar received twenty cents shall be

7 turned over to the fire department for its main-
8 tenance.

9 For each dollar received ten cents shall be used
10 to maintain a fire insurance department.

11 For each dollar received ten cents shall be paid
12 over to the treasurer of this commonwealth.

1 SECTION 5. The natural life of each insurance
2 policy shall be five years from the date when is-
3 sued; transferable when so stated in deeds of
4 buildings or bills of sale of personal properties;
5 shall also state what will be the cause or condition
6 of making each insurance policy void.

1 SECTION 6. City and town fire insurance depart-
2 ments shall when possible replace all personal
3 properties, repair and build all buildings destroyed
4 or damaged by fire, smoke or water. Fire insur-
5 ance departments shall not pay money to the own-
6 ers of buildings or personal property if possible.

1 SECTION 7. All other fire insurance companies
2 transacting business in this commonwealth shall
3 pay annually to cities and towns in this common-
4 wealth twenty-five cents on every dollar received
5 by each respective fire insurance company for fire
6 insurance policies. This is to be used by each city
7 and town government for the maintenance of its
8 fire department and water system.

