

**SENATE . . . . . No. 491**

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**The Commonwealth of Massachusetts**

PRESENTED BY:

**Joan M. Menard**

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act relative to commonwealth automobile reinsurers.

PETITION OF:

NAME:

Joan M. Menard

DISTRICT/ADDRESS:

First Bristol and Plymouth

# The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

## AN ACT RELATIVE TO COMMONWEALTH AUTOMOBILE REINSURERS.

*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:** The first paragraph of section 113H (B) of chapter 175 of the General  
2 Laws, is hereby amended by striking out the first and second sentences thereof and inserting the  
3 following: “Such a plan shall be prepared and administered by a governing committee appointed  
4 by the commissioner for terms of six years, consisting of seven members from insurance  
5 companies participating in the plan and six members from associations of insurance producers.  
6 Notwithstanding any other provision of law, the terms of office of all insurance company  
7 members of the governing committee then in office shall end on April 30, 2009. As of May 1,  
8 2009, the insurance company members of the governing committee shall be appointed by the  
9 commissioner pursuant to paragraph three of this subsection (B).”

10           **SECTION 2:** The first paragraph of section 113H (B) of chapter 175 of the General  
11 Laws, is hereby further amended by inserting in the third sentence thereof the words “insurance  
12 producer” after the word “present” and before the words “governing members.”

13           **SECTION 3:** Section 113H (B) of chapter 175 of the General Laws, is hereby further  
14 amended by inserting the following paragraph:

15           “Effective as of May 1, 2009, the commissioner shall appoint as insurance company  
16 members of the governing committee seven members elected by cumulative voting by insurance  
17 companies participating in the plan. Cumulative voting shall mean voting according to the  
18 relative premium written in the fiscal year immediately preceding such election by insurance  
19 companies participating in the plan; provided, however, that no participating insurance  
20 company’s vote shall represent more than 10 percent of the votes cast. Notwithstanding any  
21 other provision of this section, as of May 1, 2009, three members from insurance companies  
22 participating in the plan shall be so elected for terms of six years, two members for terms of four  
23 years, and two members for two years. Thereafter the Commissioner shall appoint insurance  
24 company members of the governing committee upon the expiration of the terms of office  
25 pursuant to the cumulative voting procedures set forth in this section.”