

HOUSE No.

The Commonwealth of Massachusetts

PRESENTED BY:

Stephen L. DiNatale

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 the Motor Vehicle Board of Appeals.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Stephen L. DiNatale	3rd Worcester

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

AN ACT RELATIVE TO THE MOTOR VEHICLE BOARD OF APPEALS.

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 8A of Chapter 26 of the General Laws, as appearing in the 2004 official edition, is hereby
2 amended by striking out Section 8A and inserting in place thereof, the following:-

3 Section 8A. There shall be within the Registry of Motor Vehicles an independent board of motor
4 vehicle appeals consisting of a chairman, appointed by the registrar of motor vehicles, a member of the
5 board appointed by the commissioner of insurance and a member of the board, appointed by the
6 attorney general. The chairman and the members of the board shall serve for a term of seven years,
7 with incumbents serving three years upon enactment, subject to removal by the appointing authority
8 only for nonfeasance or malfeasance in office. Should the position of chairman or member of the board
9 become vacant prior to the expiration of his or her term, the appointing authority shall appoint a
10 successor for a new seven year term.

11 The chairman may appoint and remove an executive director, officers to hear surcharge
12 appeals, and such clerical and other assistants as its work may require.

13 All expenditures incurred under this section shall be paid through a trust fund consisting of the
14 filing fees collected by the board and supplemented by an administrative assessment. The clerical and
15 other assistants shall perform such duties as the chairman or executive director may direct. Any
16 member of the board shall have power to summon and compel the attendance and testimony of
17 witnesses and the production of books, records and documents and may administer oaths. Sections 9
18 and 11 of chapter 233 as appearing in the 2002 official edition, shall apply to the board and witnesses
19 summoned before it. The fees of witnesses before the board for attendance and travel shall be the same
20 as for witnesses before a court in civil cases and need not be paid nor tendered to them prior to their
21 attendance, and shall be paid by the Commonwealth upon the certification of the board or a member
22 thereof filed with the comptroller.

23 The board may hold hearings at any place within the Commonwealth and the members and
24 executive director thereof shall be allowed their necessary traveling and other expenses in holding
25 hearings beyond its principle offices. The board, in accordance with the provisions of Massachusetts
26 General Laws, chapter 30A, may promulgate and amend reasonable rules and regulations to expedite
27 and regulate hearings and the procedure before it.

28 SECTION 2. The Commissioner of Insurance shall require each insurance company issuing
29 private passenger motor vehicle liability policies in the Commonwealth to collect an assessment to be
30 utilized by the board for the purposes set forth under the provisions of chapter 26, section 8A and
31 chapter 175, sections 113B and 113P and chapter 90, section 28. The assessment shall be such amounts
32 as shall be determined and certified annually by the chairman and approved by the statistical agent
33 designated pursuant to chapter 175 section 113H as sufficient to fund the responsibilities of the board
34 subject to appeal to the Commissioner of Insurance. The secretary of administration and finance shall
35 expend from the general funds amounts for indirect and fringe benefit costs, including, but not limited

36 to, group life and health insurance, retirement benefits, paid vacations and holidays, and sick leave,
37 attributable to personnel costs and personal administration of the board's office related to the purposes
38 for which this assessment is collected. This shall be assessed as determined by the commissioner against
39 each private passenger motor vehicle liability issued in the Commonwealth.

40 The commissioner shall annually estimate the total number of earned car years of motor
41 vehicle policies providing private passenger motor vehicle liability coverage in the Commonwealth, and
42 the amount to be assessed equally against such earned car year of exposure sufficient to produce one
43 million five hundred thousand dollars in revenue to the Commonwealth, plus the total amount of funds
44 estimated by the secretary of administration and finance to be expended from the general fund for
45 indirect and fringe benefit costs including but not limited to group life and health insurance, retirement
46 benefits, paid vacations and holidays, and sick leave, attributable to personnel costs of the board's office
47 related to the purposes for which the assessment is collected. Each insurer issuing private passenger
48 motor vehicle liability policies shall collect the amount determined by the commissioner to be assessed
49 from each person to whom a private passenger motor vehicle liability policy is issued. In any year in
50 which such rates are fixed and established pursuant to General Laws chapter 26 section 8A and chapter
51 175, section 113B, the commissioner shall make a specific provision in the expense allowance in private
52 passenger motor vehicle liability rates which shall be adequate to allow this assessment to be recovered
53 in such rates by each insurer. In any year in which such rates are determined by any other method, this
54 assessment shall be approved by the commissioner in the expense allowance for private passenger
55 motor vehicle liability rates. Such assessments shall not be reported or included as premiums for any tax
56 or regulatory purposes. If the Board fails to expend in any fiscal year the total amount for the purposes
57 set forth under the provisions of General Laws chapter 26 section 8A and chapter 175 section 113B, the
58 amount unexpended in such fiscal year shall be reduced by such unexpended amount. The
59 commissioner is authorized to estimate the amount to be collected by each insurer issuing private

60 passenger motor vehicle liability policies based on the number of earned car years of private passenger
61 motor vehicle liability exposure in the prior year and require each such insurer to remit such estimated
62 amount to the Commonwealth. The commissioner shall subsequently notify each of the actual amount
63 of assessment required to be forwarded to the Commonwealth based on each insurer's total earned ear
64 years of private passenger motor vehicle liability exposures. The commissioner shall make appropriate
65 adjustments for any variation between the estimated amount assessed and the actual amount collected
66 by each insurer.

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