

**PROCEEDINGS OF THE THIRTY-THIRD
ANNUAL CONVENTION OF
INSURANCE COMMISSIONERS OF THE
UNITED STATES HELD AT COLUMBUS,
OHIO, SEPT. 23, 24, 25, 1902**

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VARIOUS

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OF

INSURANCE COMMISSIONERS,

OF THE

UNITED STATES

HELD AT

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CONSTITUTION

ADOPTED 1894

Article 1.—This association shall be known as the National Convention of Insurance Commissioners.

Article 2.—Its membership shall consist of the commissioner, superintendent, or other official who by law is given charge of insurance matters in each State or Territory. *Provided, however,* that such official may delegate as his representative, any person officially connected with his department, who is wholly or principally employed by said department, and who is a legal resident of the State wherein the department is located. [As amended by Thirty-Second convention in 1901].

Article 3.—No person having any connection with an insurance company, except as a policy-holder, shall be a member of this association. [As amended by Thirty-Second convention in 1901].

Article 4.—The officers of the convention shall be a President, Vice-President and Secretary, and an Executive Committee, consisting of five members and the above-named officers, all of whom shall be elected by ballot at the annual meeting. But no person shall be eligible for the office of President whose term of office shall definitely expire before the assembling of the annual convention subsequent to his election. [As amended by Thirty-Third convention, 1902].

Article 5.—The duties of the several officers shall be such as usually devolve upon those holding like positions. The Executive Committee shall make arrangements for the annual meeting, and in case of a vacancy in any of the offices, fill the same until the next annual meeting.

Article 6.—The annual meeting shall be held at such time and place as may be designated by the previous convention, and the Executive Committee is authorized to change the same in case of emergency.

PROCEEDINGS

Article 7.—As soon as convenient, after the annual session, the President shall appoint the members of such committees as may have been authorized by vote of the convention, and the Secretary shall immediately notify each member of his appointment.

Article 8.—The convention shall be governed by the ordinary rules of parliamentary practice.

Article 9.—Commissioners or superintendents, or other officials in charge of insurance matters, who have been members of the convention, may, upon retiring from office, be chosen honorary members, without the right to vote, by a two-thirds vote at any session. [Amended, 1895, by addition of the following: Any supervising insurance official may, at any session, be elected an honorary member, by a similar vote, and all retiring Presidents of the convention shall be honorary members thereof.]

Article 10.—Communications to the convention, verbal or written, shall be heard by or referred to the appropriate committee, which shall thereafter report to the convention.

Article 11.—This constitution may be amended, and any article therein may be suspended at any time by an unanimous vote at any regular meeting, or by a two-thirds vote of the members present and voting, notice thereof having been given at a previous session.

Article 12.—All previous constitutions are hereby repealed.

PROCEEDINGS

FIRST DAY

MORNING SESSION.

The Thirty-third Annual Convention of the Insurance Commissioners of the United States was called to order by the President, Hon. W. H. Hart, in the North Supreme Court Chamber, State Capitol, Columbus, Ohio, at the appointed time.

The President: I generally like to tell the truth where it is about as convenient as *not* to tell the truth. I promised one of the members of this Association that I would not call this convention to order until he was here; but I find I must disappoint our absent member or disappoint this convention, so I will take the risk of putting myself in disrepute and allow the business of the convention to proceed.

First in order is an address of welcome from the Governor of Ohio—Governor Nash. (Applause.)

Governor Nash:

Mr. President, Ladies and Gentlemen: I understand that I have before me the gentlemen from different States of this Union who look after the interests of the people in an official way, in connection with the insurance companies of this country.

I take pleasure in bidding you a hearty welcome to the State of Ohio. It gives me pleasure because I understand that you are here for the purpose of comparing notes and arriving at a better understanding as to how you can perform the duties relating to your several offices to the best advantage of the people. The duties which you have to perform are important and you can perform them in such a way as to make your several offices very beneficial to the people of this country. The business now transacted by the insurance companies is very large, and if it is conducted for

the benefit of the people, the insurance companies of this country are very useful to the public at large. As tending to show how important this business is, I am informed that the total revenues or receipts of the fire insurance companies in the United States last year amounted to about one hundred and fifty-six million dollars, and of the life companies to nearly three hundred and sixty million dollars. In this State the fire companies collected as premiums something over nine million dollars and they paid back to the people of Ohio, on account of losses, something over five million dollars. The life companies collected from our people over eighteen million dollars, and made return on account of death losses of over seven million dollars. Now, this constitutes a very important matter, not only to the people of Ohio, but to the people of the United States. These companies afford protection to property and they afford protection to widows and orphans who suffer on account of the loss of their protectors. No one can estimate how much good these companies do to all the people of Ohio and all the people of this country when their business is honestly transacted. It gives me pleasure to make the statement that it is my belief that it is the aim of reputable fire insurance companies and of reputable life insurance companies to perform their duties honestly, uprightly and for the benefit of the people. On the other hand, there are some people engaged in the insurance business who do not look upon the obligation which they owe to the people in this way; and therefore it is necessary that the different States should have superintendents of insurance to see that the laws are fairly, equitably and honestly executed. Such a body I have before me this morning. I believe you are assembled for the purpose of acquiring information so as to better perform your duties. Such representatives, I welcome to the capital of Ohio.

I hope you will have a very pleasant time while you are here, and there is one favor, in this connection, which I wish particularly to ask from you. If the present Superintendent of Insurance of Ohio does not see to it that you *do* have a pleasant time, I wish you would report the fact to me and I will take his head off tomorrow. (Applause and laughter.)

Gentlemen, I bid you welcome. (Applause.)

The President: The greeting will be responded to by the President of one of the strong and aggressive companies of the Middle West, Hon. John M. Pattison, President of the Union Central Life Insurance Company of Cincinnati.

Mr. Pattison responded as follows:

Mr. Chairman and Gentlemen: You do me honor by asking me to represent the insurance interests of Ohio, not, perhaps, because I am the oldest insurance man in the State, but because I have the honor to represent the largest institution of either life or fire insurance. On this occasion, however, I represent all insurance interests, both life and fire, and every insurance that exists in our midst, and as such representative, I take great pleasure in giving you, the commissioners and superintendents of the various States of the Union, a most cordial greeting.

These various companies organized in Ohio, including all those of other States, represent in life insurance, in ordinary life and industrial, nearly a million of our citizens, and the amount of insurance carried by them is over five hundred million dollars (\$500,000,000.00.) Those of the fraternal societies amount to over two hundred thousand (200,000), with insurance of over two hundred and sixty-two million dollars (\$262,000,000.00); and in fire insurance there was in Ohio alone at the close of 1901, eight hundred and ninety million dollars (\$890,000,000.00) of property insured and carried by the various companies located in Ohio and by the citizens of Ohio and amounted to ten million dollars (\$10,000,000.00).

In behalf of all these various companies of our State, and in behalf of all the citizens of Ohio, who are interested in all kinds of insurance, I welcome you. We are pleased that you have honored our great State by your presence, and we trust that of all the good and profitable meetings of your Association, this may prove to be the best.

Ohio is a great State in which to settle and adjust all your differences. We are neither East nor West; neither North nor South. Its early settlers comprise some of the best people of far-famed New England, also the best of the great families of old Virginia, and from Ohio went forth in large numbers its sons as pioneers to fill up the great West. We can therefore properly say that the great State of Ohio is more East than any other Western State; more West than any other Eastern State; more North than any Southern State, and more South than any Northern State; so you see why Ohio has claimed so many things during the last two or three decades. Representing as we do all the four great sections of the country, we were obliged in case of a doubt to claim everything for Ohio, and while we acquiesce in the will of the people in the present choice of the Chief Magistrate, since the

martyred McKinley whose loss a nation still mourns, we trust that when the first or second term shall be filled by our now honored President, that Ohio may again be called upon. Of course, if it should happen at that time that the State of Pennsylvania should present one of her sons for so distinguished an honor, I know of one insurance man who would not object if his name should be Pattison. I assume that it is an unwritten law in Pennsylvania, as it is in Ohio, that only a man who has been Governor can aspire to the Presidency. But going back to Ohio, I do not know that there will be any subject brought before your body in which there will be any radical difference of opinion, but if so, I suggest you refer it to Commissioner Vorys, who will settle it, I am sure, to the satisfaction of all the four sections of the Union, and thus maintain the reputation of all his ancestors.

I am a great believer in State Supervision of Insurance. I think it right and very proper that the affairs of this great business should be laid open to all the citizens of every State, and that the good faith, or the want of good faith by every officer and director of this great trust, should be made plain. I believe, too, that it is your duty to know all the details pertaining to the management of all the companies, and with your experience and increased information, which your position naturally gives, you should not hesitate to criticize where criticism is necessary, and certainly it should be your duty to offer suggestions to any management, especially where suggestion is along lines for the more businesslike methods of conducting the business, and always so in cases where the interest of the policy-holders are not being cared for as good faith demands they should be. Your duties are almost multitudinous, and while it is of special importance that you see to it that no company not financially sound, is permitted to do business with the citizens of your respective States, and that all companies have complied with the legal requirements, it has also seemed to me an equally and perhaps a more important part of your duty to see that the rights and interests of the holders of policies were given special consideration.

So long as you are commissioners of insurance of your various States, it seems to me that you are trustees for all the policy-holders of your respective States, and as such trustees, you have the same interest and should be held to the same responsibilities for the total number of policy-holders in your respective States, as a president and manager of a life insurance company should be held faithful to the best interests of the policy-holders of his individual company, and in the justice of all existing laws as well as the proposed enactment of new laws relating to the welfare of these