

**PROCEEDINGS OF THE NATIONAL
CONVENTION OF INSURANCE
COMMISSIONERS, BURLINGTON,
VERMONT, JULY 29TH-AUGUST
1ST, 1913**

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Proceedings of the National Convention of Insurance Commissioners, Burlington, Vermont,
July 29th-August 1st, 1913 by Various

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VARIOUS

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OF THE

 NATIONAL CONVENTION

OF

Insurance Commissioners

BURLINGTON, VERMONT

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JULY 29th — AUGUST 1st, 1913

THE STATE COMPANY
COLUMBIA, S. C.

1913

2774

SPECIAL COMMITTEES.**Classification of Risks and Loss Experience of Fire Insurance Companies.**

WM. T. EMMET, Chairman.....New York
 FRED W. POTTER.....Illinois
 H. L. EKERN.....Wisconsin
 BURTON MANSFIELD.....Connecticut
 JAMES R. YOUNG.....North Carolina

Liability Loss, Reserves and Reserves on Workmen's Compensation.

W. T. EMMET, H. L. EKERN, CHARLES JOHNSON.

To Draft a Uniform Fire Insurance Policy.

W. T. EMMET, BURTON MANSFIELD, CHARLES JOHNSON,
 J. R. YOUNG, H. L. EKERN.

Cost of Life Insurance, Expense Loading in Life Insurance Premiums, Compensation of Life Insurance Agents, and Segregation of Non-Participating and Participating Insurance in the Same Company.

F. H. McMASTER, W. T. EMMET, J. S. DARST.

Profit Sharing Contracts in Health and Accident Insurance, Insurance of Automobiles, Uniform Bill on Mutual Insurance.

J. A. O. PREUS, C. A. PALMER, CHARLES JOHNSON, H. L. EKERN.

To Confer With Federal Government on Claims Against Surety Companies.

F. H. HARDISON, W. M. SHEHAN, E. H. MOORE, JOSEPH BUTTON, G. W. INGHAM.

Clearing Committee for Rulings on Health and Accident Policies.

W. T. EMMET, BURTON MANSFIELD, E. H. DEAVITT, F. H. HARDISON.

Special Deposits of Insurance Companies.

BURTON MANSFIELD, Chairman.....Connecticut
 F. H. HARDISON.....Massachusetts
 HENRY D. APPLETON.....New York

PROCEEDINGS

FIRST DAY

MORNING SESSION.

The Convention met at 9 o'clock A. M., Tuesday, July 29, 1913, at Burlington, Vermont, and was called to order by the President, Hon. Frank H. Hardison, Insurance Commissioner of Massachusetts.

The President: The assembly will be in order. We are here to hold our annual meeting of the National Insurance Commissioners. It is the first time, I think, that the Convention has ever met in the State of Vermont. We have representatives here from all over the country, from the South and far West besides the East.

We are to be welcomed to this sturdy old Commonwealth by the Governor of this State. I have the pleasure of presenting to you his Excellency, Governor Allen M. Fletcher. (Applause.)

Governor Allen M. Fletcher:

Mr. President and Gentlemen of the Association, it is a pleasure for me to look into the faces of this body of men who have come to Vermont.

I extend to you the freedom of the State, and I, as well, extend to you executive clemency in advance.

I have two or three cold storage speeches of Vermont, but they are hardly adapted to this temperature. It will take an hour or an hour and a half to deliver them, and I will not inflict them upon you.

I think you have been extremely wise to come to the beautiful city of Burlington. There is a tradition floating about this place that a certain minister of this town in exhorting his flock said—speaking upon the question of hell: "My friends, hell is full of all sorts and kinds of things. It has lots of automobiles, operatic shows and whiskey." And a brother arose and said: "Oh, death, where is thy sting?" (Laughter.)

Now, gentlemen, you will be welcomed in Burlington, and you have made no mistake in coming here.

I wish to make one suggestion to you; it is rather a hope; that this meeting will be productive of good along the line of uniform legislation, if possible; uniform legislation on the question of insurance. Uniform legislation on almost all vital questions to the various States is what is needed in this country today more than any other one thing. And, gentlemen, if you don't have it, if you don't reach that end, you are going to have national legislation on a great many subjects that are of business interest to this country. And if you allow this condition to present itself you may have a political solution of

many troubles not agreeable to you and not for the best interest of this country as a whole. Therefore, I suggest that a very important question for you to consider is that of uniform legislation.

In my legislative life and in my brief executive life I have had to confront a good many propositions that lead me right forcibly to that conviction. And the other day here—one day last week—I was asked to preside over in New Hampshire at a joint meeting of the Massachusetts, Vermont and New Hampshire Forest Association. A representative of Pennsylvania was there, and he said that the Governor of Pennsylvania had been compelled to veto an appropriation of \$100,000 to put an end to blight on chestnut trees because other States would not take part in it and it was useless for Pennsylvania to proceed alone.

I might go on and enumerate. I simply make this suggestion for your consideration.

Gentlemen, I hope that your meeting will be a prosperous one and you will see enough of Vermont here that when you grow so wealthy in your respective States that you wish to retire you will come up here and cast your lot with us. I wish to say to you in confidence that I have been advised by the Medical Department of the University of Vermont very recently that they had definitely discovered beyond any reasonable doubt that it was easier to die in the State of Vermont than any other State in the Union. (Laughter and applause.)

Gentlemen, I thank you. (Applause.)

The President: His Excellency has spoken of Burlington as a beautiful city. I am going to go him a little better and call it the beautiful, busy, bountiful, bewitching city, and call upon His Honor James E. Burke to welcome us in behalf of it. (Applause.)

Mayor James E. Burke:

Mr. President, Your Excellency, and Gentlemen, it ought to be needless for me to say to you, gentlemen, that I have a very pleasant duty to perform this morning, the welcoming of such an organization as this to the foremost and best city in the State of Vermont. His Excellency a few moments ago stated that you chose wisely and well in coming to the City of Burlington for the purpose of holding your annual convention. I wish to say, gentlemen, that I am fully in accord with that sentiment. I think you did choose wisely and well in selecting Burlington as the place for holding your annual gathering in the year 1913, and I feel as though it was my duty to congratulate you upon that choice.

As I said a moment ago Burlington is the principal city of the State of Vermont, and by reason of that fact it is the Mecca to which organizations for the purpose of holding their annual meetings come from year to year. Therefore, you can readily see it is a pleasure for me to represent the citizens of Burlington in welcoming all such organizations who may see fit to come here to our city. And while it has always been considered a great honor to extend a cordial

welcome to the different organizations that have been accustomed to visit here from year to year, yet when I consider the character of this organization that is assembled in these rooms this morning, when you stop to consider that it has an international character, that its representatives come not only from our own beautiful and beloved country but also from the country to the north, I say it is an added honor and pleasure to me to represent the citizens of Burlington in welcoming such a body to our hospitable city this morning.

In behalf of the citizens of Burlington, whom I have the honor to represent, I extend to each and every one of you a most cordial welcome to our city this morning.

Gentlemen, when we consider the nature of your organization, the object for which it was organized, I think we have a right to say that it is one of the most important organizations there is in the United States; for you represent an organization, gentlemen, that has for consideration matters of importance, matters that enter into the very homes of the most humble of our land. So that you can see that an organization that is conducted along such broad lines and has to do with such important matters is a very important organization in the country at the present time.

And I want to say that owing to the character of your organization, an organization that stands between the people and the insurance companies of the United States, I say it is very important; and if there ever was a time when there was need of such an organization standing between the people and those representing the insurance companies the time is now when we should have it.

And while it is not my purpose to take up any of your valuable time to suggest to you as to what you ought or ought not to do during your deliberations, I simply say, gentlemen, that I hope your visit to Burlington will be one of the most profitable visits that you have ever made in the conduct of your business. I hope it will be fruitful of wise legislation in the interest of the people.

And I simply want to say in closing: God speed you in your noble work. In addition I want to say—really you can thoroughly understand it is always customary when an organization comes to a city like this, that while they are the guests of the city it is always customary that that courtesy should be extended to them, in extending to them the freedom of our city. This morning, gentlemen, I simply want to say while you are here in the city of Burlington this city is yours; and I only hope that when you leave the city of Burlington you will carry with you to your distant homes nothing but kind remembrances of your stay here while you were here with us.

Gentlemen, I thank you. (Applause.)

The President: Response in behalf of the convention will be made by Commissioner James R. Young of North Carolina. (Applause.)

Vice-President James R. Young:

Mr. President and Gentlemen of the Convention, Ladies and Gentlemen: It is good to be here. It would be nice to be in any place with so cordial and fitly spoken a welcome as we have heard from the distinguished officials this morning, much less in such an attractive and lovely a place as your city, situated so beautifully amidst the magnificent scenery of the Green Mountain State.

While I esteem it a great honor at any time to represent our National Convention of Insurance Commissioners, especially on this pleasant occasion, I preferred, my friends, that this response to the addresses of welcome should have been made by the Second Vice-President of the Association, my friend from Utah, or some other of my associates who are more gifted than the speaker in giving expression to their views and feelings. He would have made you an eloquent address and would have delighted you with his magnificent speech; but he would not have brought to you a keener appreciation of your hearty welcome than I do. We people of the South have the reputation of knowing how to give a whole-souled welcome and extend a real Southern hospitality; and I assure you that we know the genuine article and how to appreciate it when it is extended.

Mr. President and gentlemen, I am referring not simply to the eloquent words that have voiced the welcome to us here this morning, but also to the exhibitions of welcome that have been given us in the kind words and thoughtful attentions that we have received ever since we arrived in your midst.

We appreciate very much the honor of having the Governor of this grand old State to welcome us; and we assure him that it has been for a long time the aim of this convention in all of its work to strive for and to obtain uniform legislation. The statutes of our different States show how much has been accomplished along this line.

And we appreciate very much his offer of clemency to us here this morning; but, as far as I know, none of us are mentioned in the Mulhall letters (laughter) or are mixed up in other little matters that are stirring the country at this time, and being head-lined in the daily press.

I appreciate very much the pleasure of being here. You have made us, Mr. Mayor, feel at home and very welcome; but how could that be otherwise among such a people led by such men as your Governor and your Commissioners Deavitt and Bailey, whom we have learned to know and value? Your State is to be congratulated on having two such officials; and your people are fortunate that they live among them always.

While we come among you for pleasure and such recreation as will come with change of surroundings, yet we come primarily for business. Mr. President, we congratulate ourselves that we are a business body, although frequently our newspaper friends and the officials of the insurance companies are inclined to say that we take ourselves

and our work too seriously. However, I am not complaining of this. It is with much tribulation we advance in other matters as well as in entering the Kingdom of Heaven. A celebrated Swiss reformer said: "If we expect to accomplish much we must make up our minds to bear a great deal."

Now, gentlemen, don't misunderstand me. The relations between the members of this association and the members of the press and the officials of the companies are close and cordial. We all understand each other. We are all working together for the improvement and uplift of this business. And while we differ sometimes we realize it is because we look at things from a different view-point. The Commissioners naturally and properly look at these matters from the view-point of supervision, which makes, of course, a different situation in judging matters.

Practically every State of our Union now has a supervising insurance department and officials; some in a separate department; others joined with another department. Some of these departments and officials are hampered by having too many duties, too few helpers, and too little of the necessary funds; but we are all working together in this convention and in our several departments with a common purpose and a high aim to improve this business and to make it effective in all of its work, bearings and effects.

This, gentlemen, is no small task. It is a great business—it is immense. It is rapidly growing in volume and improving each day. By rapid evolutions it is progressing and producing a better condition of things, not simply in the classes of business that are well established and understood, but also in the new kinds and classes of insurance that are springing up.

But, my friends, I am not here this morning for the purpose of making you a speech upon the great importance and magnitude of this business, and how it touches every department of our life and business, nor to tell you how absolutely necessary it is that this business should be properly supervised at all times. In fact, my friends, I am not here to make a speech at all. I wish simply for myself and my associates, for our friends here and our visitors to express to you, Mr. Mayor, and your Excellency, and to our good friends who have so kindly welcomed us, our great pleasure at being in your midst and to tell you how much we appreciate the welcome that you have extended to us here this morning to your State and to your city.

We confidently expect to enjoy ourselves. We are going to do some business. And I believe I can say to you, Mr. Mayor, in view of your appreciation of this business and the importance of it, that we are working together to accomplish something in it. But while here we shall not devote our whole time to work, for we see prospects of a good time. And when we go away from here we are going to carry away with us such a feeling and impression upon our minds and hearts that there will ever linger with us a desire to return again