

adequate fishways for the free ascent and descent of fish; and, be it further

*Resolved*, That a copy of this resolution be forwarded to the United States senators and congressmen from the state of Wisconsin and to the chief clerks of the two houses of congress.

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[No. 130, A.]

JOINT RESOLUTION NO. 40.

Pertaining to the subject of the insurance of property against fire and other risks.

WHEREAS, During the five-year period prior to 1910, there was paid by the citizens of this state to licensed fire insurance companies over forty-two-million dollars against less than nineteen million dollars repaid for losses, and the percentage of premiums so returned in losses was a little less than forty-five per cent of the premiums, leaving the excess of premiums over losses over twenty-three million dollars; and

WHEREAS, A comparison with the preceding five-year period, and other years back to the year 1870, shows an increasing percentage in the excess of premiums over losses; and that the average ratio of losses to premiums from 1870 to 1908, inclusive, was slightly less than fifty per cent; that the forty-four per cent during the last five-year period is increased by the exceptionally heavy losses during the year 1910, but includes losses during 1909 and 1908, which are in excess of any preceding year; and

WHEREAS, The foregoing figures and the information available, seems to indicate that the business of fire insurance is conducted at an increasingly excessive expense, and great economic loss to the citizens of this state, and it is urged that the rates charged are in many instances discriminatory and may be generally excessive; that the operation of the local boards of underwriters provided for by law has not been in the direction of reducing the rates; that the rates generally used by companies are generally uniform and made by individual raters; that in several cases such boards of underwriters have made rates above those recommended to companies by individual raters; and

WHEREAS, It is charged that a large association of companies makes contracts, discriminating in the payment of commissions to agents who represent only companies belonging to such association, and agents who also represent companies not belonging to such association; and that a like association recently formed is making like discriminations; and that commissions are unequal, discriminatory and excessive, and range from fifteen per cent to

as high as thirty-five per cent or even forty per cent of the premiums paid; and

WHEREAS, A considerable amount of insurance is placed by large insurers with outside mutual companies, Lloyd associations and inter-insurers, which are not admitted to this state and pay no taxes therein, thus resulting in a virtual discrimination in favor of companies who transact business here in violation of law; and

WHEREAS, It is claimed that by a proper readjustment and economizing in the expenses in fire insurance, savings will be effected amounting to several hundred thousand dollars per year to the citizens of this state; and that by securing to this state its proper rating based upon its experience, and the kind and situation of the property insured, and the encouragement of inspections of the property insured, and a more thorough knowledge and understanding of methods of construction and of fire prevention, and of the elements involved in the risk and the consequent rate of premium charged, a much greater saving could be effected annually to the citizens of the state; therefore, be it

*Resolved by the Assembly, the Senate concurring,* That a joint committee consisting of four members of the assembly and three members of the senate be constituted, to be selected in the same manner as other committees, whose duty it shall be to make a thorough investigation and examination into the methods of transacting business by all insurance companies, associations and insurers of every kind transacting the business of fire insurance, or effecting any insurance or indemnity against the risk of fire, including all agencies whatever employed in the transaction of said business; to investigate and examine into their expenses in all matters; the rates charged and the manner of making such rates, and into the question of discrimination between classes of property or of insurers, the regulations and practices with regard to the collection of premiums, and the cancellation of policies, and the payment of return premiums, and all contracts for commissions or compensation of agents, and any discrimination therein; the methods of adjustment and payment of claims for losses, and the assets and liabilities of all such companies or insurers, and the nature and condition of their investments, methods of making investments and the manner in which their funds, securities and assets are safeguarded; and generally, to make any and all inquiry in regard to the transaction of the business of fire insurance and other insurance upon property, and the rates and cost of such insurance and expenses incident to such business; and the promotion of better protection against fire.

and the reduction of fire losses, both within and without the state, so far as the same have a bearing upon the cost of such insurance to the citizens of this state or the fire losses therein. The mention of any particular lines of inquiry herein shall not limit in any measure the field of investigation which said committee is empowered to enter.

The said joint committee, by a majority of the members thereof, are hereby invested with plenary powers to perform and discharge the duties by this resolution enjoined, and in the exercise of such power, among other things, they may, by subpoena issued over the signature of the chairman or acting chairman of said committee, and served in the manner that circuit court subpoenas are served, summon and compel the attendance of witnesses, and the production of all books, papers, documents and records necessary or convenient to be examined or used by them as evidence. They may also, either as a committee or through a proper person authorized by them, examine all books, papers, documents and records of insurance companies and insurers, or of corporations or persons dealing with such companies or insurers, and may do all other things which may to them appear necessary or convenient to make full examination and investigation as directed herein. Said committee shall have power to employ such counsel, stenographers, clerks and assistants, and to require such assistance and co-operation from the commissioner of insurance and his employes as they may find necessary.

The committee shall also have power, among other things, by any member thereof to administer to persons brought or appearing before them as witnesses all necessary oaths.

Such committee may moreover exercise all powers provided by law or this resolution at any time prior to December 1, 1912, whether during the session of the legislature or otherwise.

Said committee shall with all reasonable dispatch discharge the duty hereby imposed, and report to the governor, on or before December 1, 1912, all facts found and testimony taken by them, together with recommendations thereon.

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[No. 9, S.]

JOINT RESOLUTION NO. 41.

To amend Article XIII of the Constitution providing for the recall of public officers.

*Resolved by the Senate, the Assembly concurring, That Article XIII of the Constitution be amended by adding thereto a new section to read:*

Section 12. The legislature shall provide for the removal by