MOTOR VEHICLE SAFETY-RESPONSIBILITY LEGISLATION

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I can think of nothing more impressive by way of introduction to a discussion of Automobile Liability Security law developments than the recent action of the Province of Ontario, Canada.

A year or so ago the powers-that-be in Ontario concluded that the time was ripe for some form of legislative remedy for those victims of motor vehicle accidents who fail to receive damages by way of compensation because of the financial irresponsibility of the offending motorist. Acting with the promptness and practical commonsense characteristic of our English brethren, the Ontario Legislative Assembly, on February 8, 1929, created a Royal High Commission, charged with the duty of investigating all aspects of the civic problem presented by the motor vehicle, and particularly the situation created by the negligent, irresponsible motorist. Still characteristically after the English fashion, the Commission was composed, not of a half-dozen or a dozen busy men of diverse interests and with important affairs of their own requiring constant attention, but of one highly distinguished jurist,—the Honorable Mr. Justice Frank E. Hodgkins. Nor did the Legislature fail to provide adequate funds for the conduct of a swift anP effective study of the many issues involved.

Naturally, the most productive hunting ground for any such Commission this side of the Atlantic would be the United States, where the subject of compulsory insurance and financial responsibility for motor vehicle owners and operators has been agitated for a number of years and where there are now in operation various forms of remedial legislation.

Accordingly, the Royal High Commission (Mr. Justice Hodgkins, accompanied by counsel, clerks, expert stenographers, secretaries and all the paraphernalia of an active, functioning organization) removed itself bodily to the United States.

While here the Commission visited the principal cities of the states in which any outstanding form of automobile liability se-

*This paper presented by invitation of the Program Committee.

curity legislation is in effect. It examined numerous witnesses, inquired into operating experiences under the laws and, in fact, covered in the most thorough manner every aspect of the subject. In view of the results obtained, we may perhaps venture to hazard a surmise, here and there, as to the Commission's ultimate and *underlying* conclusions. A few paragraphs will tell the story:

> The Commission wasted little time in disposing of the visionary but somewhat appealing and widely advertised plan for compulsory compensation for motor vehicle injuries, along lines similar to compensation for industrial injuries, probably because it felt the stated analogy between the two to be completely lacking, and probably because of its belief that the scheme itself will prove to be discriminative, unwieldy, easily subjected to grave abuses, and costly beyond all measure in relation to the financial loss it is designed to recoup or prevent.
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> It gave scant consideration to monopolistic state insurance, possibly because it couples the general evils of paternalism and bureaucracy with an entirely unjustifiable invasion of private business and a regrettable subversion of the right to reasonable freedom of contract; and probably, too, because of its unconstitutional aspects,—which, by the way, are fully discussed in the recent Advance Opinions of the Justices of the Supreme Judicial Court of Massachusetts, holding unconstitutional a proposed measure for the creation of a monopolistic state insurance fund to administer insurance under the present Massachusetts Compulsory Law.
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> The weaknesses and disadvantages of the Massachusetts Compulsory Law were believed to outweigh any possible advantages it might possess over other forms providing for financial security.
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> The preferable solution is not, primarily, that of *compelling all motorists*, without exception, to establish financial responsibility (which in effect is the *compulsory imposition* upon probably 90% or more of motorists of the *obligation* to insure), but, rather, the requiring of proof of responsibility only of (a) those who are in some sort a menace on the highways and (b) those who, having given rise to a valid claim against them, demonstrate their actual financial irresponsibility by failure to pay resulting judgments; that no divine scheme for an advance segregation and assembling of all members of this class has yet been devised, nor probably ever will be; that, however, plans have been devised and are in actual operation under which, by process of selection, more or less automatic, over a period of years, motorists of this identical class tend to classify themselves and thus can be subjected to and brought

within the scope of remedial laws; that the plans in question are chiefly exemplified by the laws of New Hampshire, Connecticut and New York; that the New York law, modeled directly on the well-known *American Automobile Association Safety-Responsibility Bill,* is in effect a combination, for all practical purposes, of the fundamental principles of the New Hampshire and Connecticut laws, and therefore presents the advantages of both.

Having reached these (or undoubtedly similar) conclusions, the Commission returned to Ontario, prepared its report in March, 1930, and in April, just fourteen months after its creation, saw its labors and its recommendation stamped with legislative approval: and a law upon the statute books of the Province which is the latest word in motor vehicle safety-responsibility legislation.

It may be truthfully said that the genetical history of the Insurance Sections of the Ontario Highway Traffic Amendment Act of 1930 is:

(a) The Massachusetts Compulsory Automobile Insurance Law, which, in one form or another, had been pending before the Massachusetts Legislature for several years prior to its enactment in 1926, and which, because of the wide advertisement its received nationally and particularly in the New England States, undoubtedly inspired the good people of Connecticut to develop something decidedly different and better.

(b) The Connecticut Act of 1925, which adopted as a solution a selective principle (in contradiction to the universal principle proposed by the then pending Massachusetts bill, and actually carried into the Massachusetts Act of 1926) for application *in the discretion of the Commissioner of Motor Vehicles*, to motorists convicted of certain violations of the law or causing injury to persons or damage to property, and relating only to future accidents,—to wit, those accidents of the individual motorist occurring *subsequent* to the imposition upon him of the effect of the law. (Connecticut, in 1929, amended its law so as to adopt the second form of selective principle,more fully referred to in our discussion of the A.A.A. Bill);

(c) The New Hampshire Act, which sought the remedy in still another selective principle in direct apposition to that adopted by Connecticut, for application, *in the discretion of the plaintiff*, to motorists who become involved as *defendant* in personal injury or property-damage law suits, and relating only to the accident which is the subject matter of

the particular litigation, and without any necessary reference to future accidents;

(d) The A.A.A. Safety-Responsibility Bill, first published in 1928 (fathered, as its name indicates, by the American Automobile Association), which recognized the *complementary* nature of the two variant selective principles embodied in the Connecticut and New Hampshire laws, and wisely combines them so as to provide, as respects the individual motorist, that once the law becomes applicable it shall relate not only to future accidents but to the current accident as well (by its provision for the payment of judgments); and that its application shall be in no sense discretionary with any individual or official, but automatic and absolute;

(e) The New York Safety-Responsibility Act of 1929, which is the direct and flatteringly imitative offspring of the A.A.A. Safety-Responsibility Bill aforesaid.

Sufficient has been said, we believe, to indicate that the A.A.A. Safety-Responsibility Bill is the first notable effort toward the combination of outstanding selective principles (as distinguished from the principle of universal compulsion) with other fundamental principles of business and social economics and of accident prevention in one scientifically constructed proposal. It is, as stated, the model for the present New York and Ontario Safety Responsibility laws; and it is the most widely known and the most favorably received of all motor-vehicle-injury remedial measures. Furthermore, it is being ably sponsored by the greatest organization of automobilists in the world, the Three A's, and by most of the related organizations which have in one way or another made motor vehicle history.

This model measure, therefore, this A.A.A. Safety-Responsibility Bill, is of vital interest to the public in general, and in particular to those who are in any way connected with the business of casualty insurance; and as such I propose to analyze it briefly and to discuss it with reference to its points of strength and weakness. We have already indicated, in rather summary fashion but adequately for today's purposes, the essential distinctions between it and the compensation scheme, the universal compulsory insurance plan and the original Connecticut and the New Hampshire laws: and as we go on, its points of identity with and its slight differences from the Ontario law will more clearly appear.

For a moment, however, let us look at the objective which the

American Automobile Association in sponsoring such a measure has in view. I believe that the *result* of any effort whatsoever may be better understood if the reasons underlying the final decisions, if the various lines of approach, are open to examination. In other words, if its philosophical, ethical and social implications are fully considered and understood. The purpose of the American Automobile Association, unquestionably, is to procure the adoption of the most advanced and reasonable form of automobile financial security legislation; and to do so by bringing such implications to the conscious attention of our people, with brevity, with clarity, and in all their veridic force. Upon such implications, the A.A.A. Safety-Responsibility Bill is bottomed; and to their recognition, in whole or in part, is due the favor with which the bill has been received. They are summed up in the conclusions arrived at by the A.A.A. Compulsory Automobile Insurance Committee, under the able chairmanship of Mr. Owen B. Augspurger, of Buffalo, which, somewhat sketchily paraphrased, may be stated as follows:

1. "That the streets and highways are public assets; that the automobile is a vital factor in the country's business and social and economic life; and that the large mass of law-abiding, careful drivers should be permitted the use of the streets without subjecting them to unreasonable burdens, financial or otherwise."
2. "That any such remedial law" (to wit, a law designed to create a form of financial responsibility where otherwise it does not adequately exist or, at the best, is questionable) "should approach the subject from the standpoint of national safety," and should "confine its penalties, burdens and disabilities to those proven guilty of offense against the public welfare," and thus by the very threat of the imposition of such penalties, burdens and disabilities, serve as a prime and efficient factor in the Association's campaign for motor vehicle accident prevention.
3. "That compulsion of any sort is not popular with the average American, and he resents being *compelled* to purchase insurance (in advance of any showing that he personally *needs* such insurance if the public is to have financial protection where he is concerned). This is particularly true of the large body of car owners who live in sparsely settled territories, and whose use of the car and exposure to accidents is relatively small."
4. "That the compulsory, universal application of the insurance requirement is the principal source of the difficulties encountered in Massachusetts."

5. That any such law should be limited in its application to those motorists, owners and operators who have as a condition precedent automatically classified themselves by their own acts as being (a) reckless and (b) financially irresponsible, who have thus "demonstrated that they are an actual or potential menace to their fellow motorists and to the public in general." And with this in view the law should be so drafted as to "place a direct responsibility where it should be placed, without forcing upon a large proportion of the population of this country a financial burden which in itself would not achieve the results that all good citizens desire."
6. That once the law becomes applicable, it should then apply absolutely and without question, and as nearly automatically as can be provided for, to the class affected, but should affect only the class which, by their own prior fault, bring themselves within its terms.
7. That such a law should consider fairly and deal reasonably with the three great interests involved,—to wit, *the public, the motor vehicle owner and operator, and the business of insurance.*

These leading principles, the rock-bottom fundamentals, these desirable implications, are well exemplified in the A.A.A. Safety-Responsibility Bill.

In substance, the bill provides that upon conviction of a violation of the major provisions of the state motor vehicle safety laws, the offending motorist is required to establish proof of future financial responsibility, under penalty of suspension of license and registration plates for all motor vehicles. The requirement is not discretionary, but follows directly upon the conviction. The bill further provides that upon failure to pay a final judgment (up to the prescribed limits,—to wit, $5,000.00 for injury to or death of any one person, and $10,000.00 for any one accident; and $1,000.00 for property damage in any one accident), the defendant's license and registration plates for all motor vehicles are suspended and shall not be reinstated until (a) the judgment is paid up to the limits aforesaid and (b) proof of future financial responsibility is established. These requirements likewise are not discretionary, but automatic and absolute. Furthermore, when, in either case, the requirement of establishing financial responsibility is imposed, the motorist continues subject to it as well for *subsequently* acquired, as for *presently* owned, motor vehicles. The bill is applicable to non-residents, and may also be invoked for a conviction

sustained or a judgment imposed outside the state. Under its provisions, non-residents who do not, upon requirement, comply with its terms, may be barred from the highways of the state.

Financial responsibility may be established in one of three ways:

(a) By means of a personal or corporate surety bond, guaranteeing payment of judgments within the limits prescribed.

(b) By means of a deposit of cash or securities with the State Treasurer, in the amount of $11,000. This deposit is sufficient, regardless of the number of motor vehicles operated by the depositor; but it must be maintained at all times at that amount.

(c) By means of a policy of insurance, with limits of $5/10,000. for personal injury and $1,000. for property damage.

The American Automobile Association, in the preparation of the insurance feature of the bill, followed closely the New Hampshire law. Briefly, the A.A.A. bill provides that all automobile liability insurance must be in substantially the statutory form. When a motorist buys a policy of insurance under the proposed law, he knows that the policy will protect him under the law so long as he does not violate the policy terms. The statutory policy terms are broad, simple and clear. They can be violated only by the willful intent of the motorist to violate them. The statutory policy is, in fact, broader than the average automobile liability insurance policy sold today. The public is protected, even if the motorist violate the policy terms, since, in the latter event, the Insurer must pay the judgment and then look to the motorist for reimbursement. The public is absolutely protected for every accident caused by the insured automobile, unless the automobile is used *without the consent of the insured.* This form of policy protects the honest owner without question, protects the public in all practicable cases and enables the insurance company to sell the insurance at reasonable cost. It does not penalize the honest owner by compelling him to buy a universal-coverage policy, at excessive cost, in order that dishonest owners may have protection when they violate the reasonable policy terms. It is by far the soundest form of insurance compatible with reasonable cost to the policyholder. It has already proved itself under the New Hampshire law.

The statutory limits, as stated, are $5,000. for one injury, $10,000. for all injuries in one accident and $1,000. for property

damage in one accident. Coverage may be granted in excess of the statutory limits; but the excess coverage is not subject to the law. The policy may contain the usual conditions and exceptions. They are not binding on claimants (except for the excess insurance over the statutory limits), but are binding as between the company and the insured. If the loss be due to a violation of the policy terms, the company, having paid the judgment creditor, is entitled to reimbursement from the insured. All automobile liability policies issued in any state where the A.A.A. bill is effective will come automatically within its terms.

To guard, so far as may be consistent with the selective principle, against the operation of uninsured automobiles by operator or owner who has theretofore been required to give proof of ability to pay, the bill provides (a) that policies issued to non-owners shall cover the insured for the operation of any motor vehicle whatsoever, (b) that no policy of insurance or bond shall be accepted by the commissioner of motor vehicles unless it cover all motor vehicles then registered in the name of the insured (this coverage may be by one policy or by several), and (c) that after a policy is filed with the commissioner he shall not thereafter register any motor vehicle for that insured unless a policy be furnished for such additional motor vehicle also.

Well begun is half done,—and with respect to the A.A.A. Safety-Responsibility Bill, a great deal more than half. But, as was to be expected in so comprehensive and so ambitious an undertaking, minor weaknesses, trivial but irritating defects (and perhaps by my very choice of terms I am guilty of exaggeration) developed.

You would be in nowise concerned with or benefitted by a technical discussion of them. But it is believed that mention of a few will not be without interest, as illustrating two outstanding truths: That the way of the amateur solon is beset with unimagined difficulties; and that the closer one is to a matter or thing, the harder it is to scan it in detail, as where one honestly and literally cannot see the trees for the woods.

The Effective Date

To begin with, it has been argued that the bill is ambiguous as respects its effective date: and by this I do not mean the date upon which the law goes into effect, but the date as of which, after it becomes effective, it may begin to operate on the individual

motorist. Assuming it becomes effective (as the New York Act did) September 1, 1929, and on October 1, 1929 a judgment is recovered on an accident which occurred in 1927: Is the motorist required to pay said judgment and thereafter to furnish proof of financial responsibility as a condition precedent to his right to continue registration, etc.? Or a motorist is convicted on October 1, 1928 for an offense which he committed in July, 1928: May he be compelled to establish financial responsibility? The first of these questions has been answered in the affirmative, the second in the negative, by the Attorneys General of the States of New York and New Jersey respectively. Our own opinion is that the Act operates prospectively only, and that the motorist is subject to penalty under it only for convictions sustained or for failure to pay judgments recovered, as a result of violations and accidents occurring after the effective date of the law.

Ontario has definitely cured this ambiguity, and its provision may serve as a model for future laws to be enacted in the States. In any event, it is an ambiguity which automatically tends to cure itself with the passage of time.

Unintentional Discriminations

While the law permits the issuance of separate complete policies for separate motor vehicles of the same owner, it does not permit the issuance of separate policies for liability and property damage cover, respectively. While the commissioner might be thought to have an implied authority to accept two such separate policies, the fact remains that one attorney general has ruled that he cannot do so. Thus, fire companies which are not authorized to write liability insurance, but are authorized to write property damage insurance, are in the position (a) of not being able to issue property damage at all, or (b) at least in the position of not being able to issue a policy which will be acceptable by the commissioner as establishing proof of responsibility. I have every reason to know that this was purely unintentional, and will be cured by an appropriate amendment so far as the model bill is concerned.

When is a Statutory Policy?

Analogously, and despite the utmost care on the part of the draftsmen, it has been diversely held, where the bill has become law, (a) that not only is the statutory policy the only policy which

can be accepted as proof of responsibility, but is the only form of policy which after the passage of the law can be issued in the state; and (b) that any form of policy (theretofore legal) can be issued, but only the statutory form can be filed as proof. Our construction is that only the statutory form can be issued. Such was unquestionably the intent, and it is difficult (to my mind impossible) to otherwise construe the bill. It is this construction, however, which, where it obtains, operates to prevent the fire companies from issuing automobile property damage insurance. The Ontario Act does not correct this condition.

Authorized Companies

The bill provides that policies may be issued only by, and may be accepted by the commissioner as proof only when issued by, companies authorized to transact business in the state. This would seem to be quite reasonable, simple and straightforward; but non-residents who enter the state are subject, while in the state, to the law. The non-resident may carry the policy of a company authorized to transact business in his state, but not in the state in which his trouble occurs. Strictly construed, his policy would not be acceptable as proof. The bill will be amended, I believe, to provide that policies will be acceptable if issued by companies authorized to transact business in the residence state of the motorist. The same restriction to authorized companies appears in the Ontario Act.

Hired Chauffeurs

It was early realized,—in fact, before the adoption of the Safety-Responsibility bill by any state, that it imposed an unusual hardship upon hired chauffeurs who do not themselves own motor vehicles. In its original form, the bill unquestionably requires the hired chauffeur, upon conviction, to post security; and, quite naturally, the average chauffeur can post security only in the form of an insurance policy. He would therefore be required to purchase insurance, at a cost higher than the average (because it covers him for the operation of *all* motor vehicles), while at the same time his employer may have a policy of insurance which would cover the chauffeur for all accidents occurring in the operation of the owner's motor vehicles. Thus, not only is the chauffeur required to pay a heavy premium, but the motor vehicle he operates is doubly

protected. This is a condition satisfactory neither to the business of insurance, nor to owners, or chauffeurs. Accordingly, the bill as offered in the New York legislature was amended to provide that under such circumstances the owner might establish proof of responsibility for his chauffeur, by the filing of his own policy. This amendment was carried into the New Jersey Act and into the Ontario Act as well.

The Family Car

Similar to the situation of the hired chauffeur is that of the member of a family not individually owning a motor vehicle, but operating the family car. At the time of the introduction of the bill in New York, our vision had not extended so far as the members of the family. Experience in New York, however, indicated that the owner of a family car might quite unnecessarily be required to pay an extra premium for the purpose of establishing financial responsibility of the individual members of the family, which was already established by the owner's policy. The Ontario Act extends to the owner the same privilege with respect to members of his family as the New York Act with respect to chauffeurs. The bill will undoubtedly be revised in this particular.

Extra Statutory Official Action

In an effort to reduce to the minimum the natural irritation growing out of a law of this character, it was intended that it would relate to and affect only those motorists who come explicitly within its provisions,—to wit, those who were convicted of violation and those who failed to pay a judgment. It has now developed, however, in states where broad powers of suspension and revocation of licenses are vested in the official authorities, that they can take advantage of the existence of the statute by compelling (under threat of suspension or revocation) the establishing of proof under circumstances not contemplated by the bill itself. This may actually be a happy development, since it increases the scope and efficiency of the law; but it was certainly not in contemplation by its sponsors. On the contrary.

As contradistinguished from these uncertainties, ambiguities and repercussions, there have also developed for consideration certain substantive proposals for the affirmative improvement and extension of the bill,—as, for instance,

Apportionment of Insurance Moneys

As the bill now stands, it provides a maximum of $10,000. for any number of persons injured in one accident, and of $1,000. for any amount of property damage in any one accident. No attempt is made to apportion the proceeds between the several claimants,—three or more for personal injury, two or more for property damage. It is at present a case of first come first served, on the theory that the proceeds of insurance represent no more than so much cash in the hands of the insured. An apportionment of the moneys would probably require a change in our present rules of litigation. It would perhaps be desirable, from the standpoint of the public; but at the same time would present many generally undesirable features. The addition of a provision for apportionment to the Ontario Act was, I believe, considered at some length; but the idea was abandoned as being impracticable at this time.*

Premium Penalties

The Connecticut law provides for classification of motorists who become subject to the law, into classes a, b and c. Each class is subject to a penalty, and the lowest running from ten per cent. for class "a" up to fifty per cent. additional premium for class "c". The bill makes no provision for such penalties. Ontario, however, adopted them, and has drafted a most scientific provision under which classifications are made by the official authorities, and the

*Recently it was decided by the Supreme Court of New York County (Judge Townley) in the case of Frank, et al, *vs.* Hartford Accident & Indemnity Company (239 N. Y. S., 397; 3-18-30) that under certain conditions Section 282 B of the Highway Law (the public motor vehicle act), which is made a part of every policy issued under that Act, requires that where more than two are injured or killed in one accident the proceeds of the policy be apportioned ratably among *judgment creditors*, according to the amount of their respective judgments. In this case the Insurer, because of the insolvency of the Assured, was not permitted to offset against the maximum limits of its policy the amounts theretofore paid in settlement of claims. An appeal has been taken to the Appellate Division of the First Department, and is now pending. It is an open question whether this decision, if affirmed, will affect claim settlements in multiple injury cases under the New York Financial Responsibility Law,—which is an adaptation of the A.A.A. Safety-Responsibility Bill. It is believed, however, that in a forthcoming edition of the A.A.A. Safety-Responsibility Bill, designed to serve as a model for future legislation of the kind, the present ambiguity, if any, will be satisfactorily eliminated.

insurer is bound to observe them under heavy penalty. Theoretically, the effect of this would be that while average premiums may remain at their present level, ultimately the motorists who are causing the losses will pay at a rate more nearly proportionate to their responsibility. It is one of the most interesting rate developments in recent years, and will receive much thought and consideration in the immediate future.

Voluntary Filing

The Ontario law provides that a motorist may at any time voluntarily file his policy with the commissioner (or otherwise establish proof of responsibility). He may thereafter save himself from annoyance following conviction, by the mere display of his certificate of compliance. It is to be hoped that similar provision will be made in a redraft of the bill.

Installment Payment of Judgments

The rigid requirement for the payment of judgments as a condition precedent to the restoration of license may well work a hardship on many individual motorists. This could be avoided by following Ontario's lead in the adoption of a provision for payment, subject to the approval of the court, of judgments by weekly, monthly or quarterly installments.

Accidents Not Involving Conviction

We have above referred to the extra statutory action of officials who choose to apply the requirement for financial responsibility in a manner which, while perfectly lawful, was not contemplated by the bill. There is a good deal of reason back of the assertion that the bill should be extended to specifically vest the official authority with discretionary power to make the requirement of proof in event of any accident involving injury to person or property, whether conviction results or not. The effect of this would be to extend the beneficially operative effect of the law and, at the same time, to reasonably limit the extra statutory application of the law.

MINORS

Finally, it is for consideration whether the Connecticut provision *requiring* the commissioner to demand proof of responsibility for any registrant between the ages of 16 and 21 years (registration under 16 being prohibited), or the Ontario provision *authorizing* the commissioner to make such requirement, and also to make such requirement of any person over the age of 65 years, should be adopted. While these provisions savor somewhat of compulsory automobile insurance, as such, they are nevertheless still selective and the classifications are perhaps reasonable. Personally, my view is that the bill in its present form sufficiently protects the public against financial loss caused by persons within these classifications, and that in the last analysis it is a matter to be decided by the individual states.

CONCLUSION

Because it is believed that legislation exemplifying the principles of, and largely modeled upon, the A.A.A. Safety-Responsibility bill is here to stay and to multiply; the best minds in the country are engaged in an extensive study of these problems. The Committee of Nine, which is the flying wedge of the insurance world in the battle for sane and practical regulation of Automobile Liability Security Insurance, and the Committee of the Three A's are both at this very moment working toward its simplification (as requisite) and its elaboration (as requisite) along the lines which experience, retrospect and foresight may suggest.

Considering actual, tangible accomplishment to date, it may, in conclusion, be well said of this constructive measure, in itself, and as enacted into law by New York, Ontario and (partially) by many other states, that:

It is essentially a safety measure, playing its substantial part in the great national campaign of accident prevention, since it imposes a penalty for reckless driving, over and above the penalties in the motor vehicle and criminal statutes.

It is essentially a financial-responsibility measure, because automatically, in its operation, it procures the establishment of financial responsibility where none exists and increases financial responsibility where it is already present.

It is essentially selective and non-compulsory, since it need not

necessarily affect the financially responsible at all, and since it will not affect even the financially irresponsible unless they are convicted of a violation of safety regulations or permit a judgment recovered against them for injury to person or property to remain unpaid.

It is essentially fair and reasonable in its financial responsibility requirements, since the latter can readily be met by insurance; since the great body of cautious, sensible men do already, by means of insurance for their own financial protection, voluntarily establish the same character of responsibility; and since the requirement is imposed only if and when it is demonstrated by the motorist's own conduct to be necessary.

It is, to all intents and purposes, self-operative, necessitating the absolute minimum of interference by the state with its citizens, minimum interference with freedom of contract and with existing laws and customs; it will require no staff of officeholders to direct and administer it; and in its present form it is unlikely to become the subject of bureaucratic manipulation or political control.

For all the reasons mentioned, and for other reasons which time does not permit us to advert to, it is believed that while, as we have not hesitated to say, the bill is necessarily far from perfect and must necessarily be modified and improved in some particulars, it does nevertheless constitute the simplest, the most constructive and thus the most effective type of remedy for the evils complained of which has yet been brought to the attention of the American public.