INSURANCE DEPARTMENT: Group life insurance for labor union belonging to Committee for Industrial Organization.

April 14, 1938.

The Hon. George H. Newbauer,
Insurance Commissioner,
State of Indiana,
Indianapolis, Indiana.

Dear Mr. Newbauer:

In your letter of April 13, 1938, you set out the definition given of group life insurance by sub-division 3 of paragraph B of section 166 of the Indiana insurance law.

You then say, "Will you please advise whether or not the foregoing definition of group insurance would include a policy issued to the C. I. O. or any of its affiliates."

The C. I. O. is the abbreviation for Committee on Industrial Organization. It is a master organization of affiliated trades unions. That is to say it is a union of unions.

The unions which compose the C. I. O. are of many varied trades and occupations.

The Indiana insurance law permits the writing of group insurance. However, certain conditions are prerequisite.

The same law also defines group insurance. The definition which you set out in your letter defines group life insurance covering the members of a labor union.

The applicable portion of the definition is:

"The following forms of life insurance are hereby declared to be group life insurance within the meaning of this Act: (3) life insurance covering the members of any labor union, written under a policy issued to such union which shall be deemed to be the employer for the purposes of this Act, the premium on which is to be paid by the union or by the union and its members jointly, and insuring only all of its members who are actively engaged in the same occupation, for amounts of insurance based upon some plan which will preclude individual selection, for the benefit of persons other than the union or its officials * * * ."

A reading of the definition shows six essential elements: (1) coverage limited to members of any labor union, (2)
policy issued to the union, (3) premiums paid by the union or by the union and the members jointly, (4) "and insuring only all of its members who are actively engaged in the same occupation," (5) amounts based on a plan to preclude individual selection, (6) for the benefit of persons other than the union or its officials.

The C. I. O., since it is a grouping of affiliates could hardly be classed as a labor union within the purview of the statute. It is a master organization of labor unions similar in its ultimate aim to the American Federation of Labor. Thus then, the first element in the definition of group life insurance is lacking.

Element number four of the definition requires that only all of its (union's) members who are actively engaged in the same occupation may be insured. (The word "occupation" is defined to mean one's principal business, trade or calling.) Since the C. I. O. has a membership comprised of persons in varied occupations, element number four is also lacking.

Without extending this opinion further, in my opinion it is clear that the answer to your question must be that a policy of group insurance issued to the C. I. O. would not come within the definition. Whether a policy issued to an affiliate of C. I. O. would be a group policy would depend entirely upon the facts relative to the organization, which facts I do not now have before me. However, I may say that an affiliate is bound to come within the definition set out if it seeks group insurance in Indiana as a labor union.

PUBLIC INSTRUCTION, DEPARTMENT OF: Right of Township Trustee to demolish school building where there are two buildings in the township.

April 15, 1938.

Hon. Grover Van Duyn,
Assistant Supt. of Public Instruction,
Indianapolis, Indiana.

Dear Sir:

I have before me your request for an official opinion in answer to the question as to whether a township trustee has