Next November, there will be observed the 100th Anniversary of the birth of the late Justice Louis Dembitz Brandeis. Justice Brandeis was a great American. He was not only an outstanding lawyer and jurist but he devoted his notable talents and his warm sympathies to countless causes which seemed just and right to him.

He was above all things a practical humanitarian, ever eager to defend the defenseless and to strengthen the weak. He had been deeply interested in the insurance investigation in the early years of the century, conducted by one of my great predecessors, Governor Charles Evans Hughes. He noted with concern and distress the many abuses that had crept into a great business which was devised primarily for the protection of the millions of men and women whose security could not be assured save through insurance. Then, through his own investigations, he personally studied life insurance operations over a period of several years and satisfied himself that savings bank life insurance offered a sound, economical and practical over-the-counter system of distributing life insurance.

At first, most people felt that his plan was not only impractical but visionary. But, in spite of discouragement, Louis D. Brandeis persevered, and after years of devoted efforts and in the face of endless frustrations, he secured the enactment of the Brandeis Plan by the Massachusetts Legislature on June 26, 1907.
I was at first somewhat of a sceptic but I became convinced that the Brandeis Plan was practicable in New York State. In my Message to the Legislature on January 5, 1938, I strongly recommended the adoption of a law empowering the mutual savings banks in New York to establish insurance departments under public supervision. I pointed out that the Plan was not only sound but that its establishment would not injure private insurance companies.

In February 28, 1938, I sent a special Message to the Legislature, again recommending legislation to permit the establishment of a system of savings bank life insurance. I wrote:

"You appreciate, I am confident, the unfortunate social implications of high-priced industrial insurance. You are unquestionably alert to the humane benefits that are offered by savings bank life insurance.

"The experience of Massachusetts covering a period of more than 30 years and the records of many studies demonstrate beyond question that savings bank life insurance offers those in the lower income group an opportunity of securing a limited amount of insurance protection at considerably less cost than they could obtain in any other way. We should now make that opportunity available."

A bill was passed in March 1938 and I issued a statement reading in part as follows:

"I am very glad that the Livingston-Piper savings bank life insurance bill has been passed. It should be of great benefit to people of small and moderate means. I heartily congratulate the Legislature, the leaders of both houses and the sponsors of the bill."
A very few years later, Connecticut also enacted a savings bank life insurance law, modeled after the New York Plan.*

Savings bank life insurance has made tremendous progress since Justice Brandeis first secured its enactment in Massachusetts in 1907. In Massachusetts, 170 out of the 189 mutual savings banks are offering the service and about $600,000,000 insurance is in force. In New York State, 47 savings banks, including some of the largest in the country, have established life insurance departments and there is approximately $300,000,000 insurance in force. In Connecticut, there are 40 issuing and agency banks which have written a substantial amount of insurance. The aggregate savings bank life insurance in force in Massachusetts, New York and Connecticut is nearly one billion dollars. This, in spite of the fact that there are of course strict statutory limits placed on the amount of insurance which may be sold.

I look upon the fruition of Justice Brandeis' dream of savings bank life insurance as one of the great accomplishments of his long and extraordinarily useful life. I believe that we have made only a beginning and that while savings banks should never seek to match the size or accomplishments of the great insurance companies, they do have an opportunity and obligation to offer an added vital service to their millions of depositors who are, in the main, men and women of moderate or small means. I send my congratulations on what has been accomplished over the years and my best wishes for further development and growth.

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