

SENATE CONCURRENT RESOLUTION NO. 3

BY SENATORS ROBERT MILLS, MORRIS, PEACOCK AND TALBOT AND REPRESENTATIVES ADAMS, BACALA, BAGLEY, BUTLER, CARRIER, GARY CARTER, DESHOTEL, DWIGHT, EDMONDS, EDMONSTON, FIRMENT, FREEMAN, GADBERRY, GOUDEAU, HARRIS, HORTON, MIKE JOHNSON, JONES, LARVADAIN, MCCORMICK, MCFARLAND, MOORE, CHARLES OWEN, PIERRE, RISER, ROMERO, SCHAMERHORN, SELDERS, THOMPSON AND WHITE

A CONCURRENT RESOLUTION

To create the Task Force on Log Truck and Agriculture Vehicle Liability Insurance to study the limitations on insurance options and the impediments to affordable automobile liability insurance for log trucks and agriculture vehicles and to make recommendations with respect to reducing or eliminating those limitations and impediments.

WHEREAS, timber and agriculture have traditionally been among the economic cornerstones of rural Louisiana, where logging, wood products, and farming companies are often the largest employers in rural towns; and

WHEREAS, in many rural parishes, the forestry sector represents the largest part of the economic base; and

WHEREAS, according to the Louisiana Department of Agriculture, the Louisiana timber industry generated in excess of two hundred fifty million dollars in state and local taxes last year; and

WHEREAS, timber is the only agricultural product which is taxed at harvest; and

WHEREAS, the timber severance tax amounted to sixteen million dollars last year, with seventy-five percent of the tax being allocated to the governing authority of the parish within which the severance or production occurred; and

WHEREAS, in recent years, a lack of affordable insurance for log trucks in Louisiana has become a crisis, with many logging businesses closing their doors and others moving to Arkansas, Mississippi, and Texas to be able to purchase affordable log truck insurance; and

WHEREAS, the loss of logging companies in Louisiana's rural areas has created a negative ripple effect, with mills not being able to receive enough Louisiana timber to operate efficiently, and landowners being reluctant to plant timber because of the increased costs of log truck insurance which is being passed on to landowners in the form of reduced stumpage prices and to mills in the form of higher delivered prices; and

WHEREAS, the preservation and maintenance of a viable timber industry is critical to the well-being of the economy of rural Louisiana; and

WHEREAS, sugarcane, cotton, rice, soybeans, corn, and other agriculture producing farms are some of the oldest businesses in many rural parishes; and

WHEREAS, insurance rates for agriculture vehicles are higher in Louisiana than other states, and a study is necessary to determine if the affordability of agriculture vehicle insurance should be addressed by the legislature; and

WHEREAS, a task force is the best vehicle to study and make recommendations regarding legislation that would increase the number of insurance options and reduce or eliminate the impediments to affordable automobile liability insurance for log trucks and agriculture vehicles.

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana hereby creates the Task Force on Log Truck and Agriculture Vehicle Liability Insurance to study the limitations on insurance options and the impediments to affordable automobile liability insurance for log trucks and agriculture vehicles and to make recommendations with respect to reducing or eliminating those limitations and impediments.

BE IT FURTHER RESOLVED that the task force shall be comprised of the following members:

(1) One senator appointed by the president of the Senate who shall serve as the chairman.

(2) The chairman of the Senate Committee on Agriculture, Forestry, Aquaculture, and Rural Development, or his designee from the membership of the committee.

(3) The chairman of the House Committee on Agriculture, Forestry, Aquaculture, and Rural Development, or his designee from the membership of the committee.

(4) The president pro tempore of the Senate, or his designee.

- (5) The speaker pro tempore of the House of Representatives, or his designee.
- (6) The vice chairman of the Senate Committee on Finance, or his designee.
- (7) The commissioner of agriculture and forestry, or his designee.
- (8) The commissioner of insurance, or his designee.
- (9) One member appointed by Louisiana Forestry Association.
- (10) One member appointed by the Louisiana Loggers Association.
- (11) One member appointed by the Louisiana Logging Council.
- (12) One member appointed by the Louisiana Farm Bureau.
- (13) One member appointed by the Louisiana Association of Justice.
- (14) One member appointed by the Independent Insurance Agents and Brokers of Louisiana.
- (15) One member appointed by the American Property Casualty Insurance Association.
- (16) One member who represents timber mills appointed by the Louisiana chapter of the National Federation of Independent Businesses.
- (17) One member who represents land owners that grow or manage timber for timber production appointed by the Louisiana Association of Business and Industry.
- (18) One member appointed by the National Association of Mutual Insurance Companies.
- (19) The chairman of the Senate Committee on Transportation, Highways & Public Works, or his designee.
- (20) The chairman of the House Committee on Transportation, Highways & Public Works, or his designee.

BE IT FURTHER RESOLVED that task force members shall serve without compensation or reimbursement of expenses, other than what may be afforded by their appointing authority, and legislative members of the task force shall receive the same per diem and reimbursement of travel expenses as provided for attendance at legislative committee meetings under the rules of the respective house in which they serve.

BE IT FURTHER RESOLVED that the names of the appointees to the task force shall be submitted to the president of the Senate by August 15, 2020.

BE IT FURTHER RESOLVED that a majority of the membership of the task force constitutes a quorum and that if all task force members have not been appointed by September 1, 2020, a majority of the appointed membership shall constitute a quorum until additional appointments are made.

BE IT FURTHER RESOLVED that no later than February 15, 2021, the task force shall prepare and submit a written report of its findings and recommendations to the legislature.

BE IT FURTHER RESOLVED that the task force will terminate on February 15, 2021.

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PRESIDENT OF THE SENATE

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SPEAKER OF THE HOUSE OF REPRESENTATIVES