

2023 Regular Session

SENATE CONCURRENT RESOLUTION NO. 19

BY SENATOR TALBOT

LEGIS POWERS/FUNCTIONS. Creates the Task Force on Available and Affordable Commercial Motor Vehicle Insurance.

1 A CONCURRENT RESOLUTION

2 To create the Task Force on Available and Affordable Commercial Motor Vehicle Insurance
3 to study and report on the impediments to obtaining affordable commercial motor
4 vehicle insurance in Louisiana, the approaches taken by other states to reduce
5 commercial motor vehicle insurance premiums, and to provide recommendations to
6 the legislature on methods for increasing the availability and affordability of
7 commercial motor vehicle insurance in Louisiana.

8 WHEREAS, according to the American Trucking Research Institute, for four years
9 nationwide, the affordability and availability of commercial motor vehicle insurance has
10 been a top issue in truck transportation; and

11 WHEREAS, Louisiana ranks as the second most expensive state for commercial
12 motor vehicle insurance in the nation; and

13 WHEREAS, Louisiana trucking companies and owner-operators continue to struggle
14 to pay for commercial motor vehicle insurance; and

15 WHEREAS, Louisiana pays up to four times more than other states for commercial
16 motor vehicle insurance; and

17 WHEREAS, small fleets in Louisiana, which consists of more than ninety-four
18 percent of all commercial trucking companies, pay up to four times more for commercial

1 motor vehicle insurance; and

2 WHEREAS, the situation has deteriorated to an extent where the vast majority of
3 commercial motor vehicle insurance companies refuse to write policies in Louisiana, further
4 exacerbating issues related to affordability and availability; and

5 WHEREAS, the lack of competition negatively affects commercial motor vehicle
6 insurance rates and potentially negatively affects the number of trucking companies
7 registered in Louisiana; and

8 WHEREAS, decreased registered trucking companies in Louisiana may result in
9 increased cost of consumer goods and render Louisiana less economically competitive; and

10 WHEREAS, by reducing the amount of revenue collected from various sources,
11 including corporate income taxes, gasoline tax, motor vehicles sales tax, titling fees, and
12 automobile plate fees increases the potential for a negative economic impact on the state of
13 Louisiana; and

14 WHEREAS, other states, including Texas, Iowa, and Florida have recently acted to
15 considerably lower commercial motor vehicle insurance rates and therefore provide more
16 economically competitive options to commercial motor vehicle carriers; and

17 WHEREAS, alternative insurance options have proven effective in similar
18 circumstances and in other states; and

19 WHEREAS, the legislature desires to form a task force to study available and
20 affordable commercial motor vehicle insurance and to provide a forum to present its
21 findings; and

22 WHEREAS, considering that increased competition among commercial motor
23 vehicle insurance companies in Louisiana should lower rates, the legislature would be
24 further assisted by recommendations on methods to increase the number of commercial
25 motor vehicle insurers offering commercial motor vehicle insurance policies in
26 Louisiana; and

27 WHEREAS, considering that Louisiana generates revenue from commercial motor
28 vehicles registered in the state, the legislature would be additionally assisted by
29 quantification of tax revenue per commercial vehicle unit and per trucking company to
30 assess monetary impact.

1 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
2 establish and provide for the Task Force on Available and Affordable Commercial Motor
3 Vehicle Insurance to study and report on the following:

4 (1) Impediments to obtaining affordable commercial motor vehicle insurance in
5 Louisiana.

6 (2) Approaches taken by other states to reduce commercial motor vehicle insurance
7 premiums.

8 (3) Economic impact of commercial motor vehicle insurance affordability on state
9 revenue.

10 (4) Review the structure and the regulation of the commercial motor vehicle
11 companies and drivers in this state.

12 (5) Review the safety records of commercial motor vehicle companies in our state.

13 (6) Review of the qualifications of commercial motor vehicle drivers in our state, like
14 the ability to take verbal tests in Louisiana.

15 BE IT FURTHER RESOLVED that the task force should include consideration of
16 recommendations, together with specific proposals for legislation on methods for increasing
17 the number of commercial motor vehicle insurers offering commercial motor vehicle
18 insurance policies in Louisiana and the affordability of commercial motor vehicle insurance
19 premiums, by written report to the legislature and to the David R. Poynter Legislative
20 Research Library as required by R.S. 24:771 and 772, no later than March 1, 2024.

21 BE IT FURTHER RESOLVED that the task force shall consist of the following
22 members:

23 (1) The commissioner of insurance or his designee who shall serve as chairman.

24 (2) The chairman of the Senate Committee on Insurance or his designee.

25 (3) The chairman of the House Committee on Insurance or his designee.

26 (4) The governor of the state of Louisiana or his designee.

27 (5) The chief executive officer of the Consumer Federation of America or his
28 designee.

29 (6) The chairman of the Louisiana Property and Casualty Insurance Commission or
30 his designee.

1 (7) The president of the Independent Insurance Agents & Brokers of Louisiana or his
2 designee.

3 (8) The president of the Professional Insurance Agents of Louisiana or his designee.

4 (9) A chairman of the Louisiana Association for Justice or his designee.

5 (10) The chief executive officer of Louisiana Farm Bureau Insurance or his designee.

6 (11) The chairman of the American Property Casualty Insurance Agency (APCIA)
7 or his designee.

8 (12) The chairman of the Louisiana Motor Transport Association or his designee.

9 (13) The chairman of the National Association of Mutual Insurance Companies
10 (NAMIC) or his designee.

11 (14) The secretary of the Department of Public Safety and Corrections or his
12 designee.

13 (15) The secretary of the Department of Transportation or his designee.

14 BE IT FURTHER RESOLVED that the names of the members designated by this
15 Resolution be submitted to the commissioner no later than June 30, 2023.

16 BE IT FURTHER RESOLVED a vacancy in the membership shall be filled in the
17 same manner as the original appointment.

18 BE IT FURTHER RESOLVED that the members of the commission shall serve
19 without compensation, except per diem or expenses reimbursement to which they may be
20 individually entitled as members of their constituent organizations.

21 BE IT FURTHER RESOLVED that a majority of the commission shall constitute
22 a quorum for the transaction of business and all official actions of the commission shall
23 require the affirmative vote of a majority of the quorum.

24 BE IT FURTHER RESOLVED that the commissioner shall call the first meeting of
25 the commission, which shall be held no later than July 31, 2023, at which time the
26 commission shall select a vice chairman and other officers deemed necessary from among
27 its membership, and shall adopt rules of procedure and any additional measures that the
28 commission deems necessary for the timely performance of its duties.

29 BE IT FURTHER RESOLVED the commissioner of insurance shall designate staff
30 from the Department of Insurance to assist the commission in the performance of its duties.

1 BE IT FURTHER RESOLVED the commission shall be domiciled in Baton Rouge
2 but may hold meetings elsewhere in the state.

3 BE IT FURTHER RESOLVED a copy of this Resolution shall be mailed to the
4 Louisiana Department of Insurance, the Senate Committee on Insurance, the House
5 Committee on Insurance, the governor of the state of Louisiana, Louisiana Workers'
6 Compensation Corporation, Louisiana Property and Casualty Insurance Commission,
7 Independent Insurance Agents & Brokers of Louisiana, Professional Insurance Agents of
8 Louisiana, Louisiana Association for Justice, Louisiana Farm Bureau Insurance, American
9 Property Casualty Insurance Agency, and Louisiana Motor Transport Association.

The original instrument was prepared by Archana Cadge. The following digest, which does not constitute a part of the legislative instrument, was prepared by Beth O'Quin.

	DIGEST	
SCR 19 Engrossed	2023 Regular Session	Talbot

Proposed law creates the Task Force on Available and Affordable Commercial Motor Vehicle Insurance to study and report on the following:

- (1) Impediments to obtaining affordable commercial motor vehicle insurance in Louisiana.
- (2) Approaches taken by other states to reduce commercial motor vehicle insurance premiums.
- (3) Economic impact of commercial motor vehicle insurance affordability on state revenue.
- (4) Reviews the structure and the regulation of the commercial motor vehicle companies and drivers in this state.
- (5) Reviews the safety records of commercial motor vehicle drivers in this state.
- (6) Reviews the qualifications of commercial motor vehicle drivers in this state, like the ability to take verbal tests in this state.

Proposed law provides for the members and officers of the task force, the areas to study, and where to provide reports after the task force has completed its study.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Insurance to the original bill

1. Makes technical changes.

2. Requests the task force to study and report on additional issues regarding commercial motor vehicles in this state.
3. Adds members to the task force.