

House Committee on Civil Law and Procedure

Minutes of Meeting
2024-25 Interim
October 11, 2024

I. CALL TO ORDER

Representative Nicholas Muscarello, Jr., chair of the House Committee on Civil Law and Procedure, called the meeting to order at 9:19 a.m. in Room 6, in the state capitol in Baton Rouge, Louisiana.

II. ROLL CALL

MEMBERS PRESENT:

Representative Nicholas Muscarello, Jr., chair
Representative Josh Carlson
Representative Wilford Dan Carter, Sr.
Representative Emily Chenevert
Representative Kathy Edmonston
Representative Peter F. Egan, Sr.
Representative Brian Leonard Glorioso
Representative Michael Melerine
Representative Sylvia Elaine Taylor
Representative Christopher Turner, vice chair
Representative Lauren Ventrella
Representative John E. Wyble

MEMBERS ABSENT:

Representative Chad Brown
Representative Michael T. Johnson
Representative Ed Larvadain, III
Representative Mark Wright

STAFF MEMBERS PRESENT:

Allison Alonzo, attorney
Jennifer Nguyen, attorney
Andrea Jerezano, committee administrative assistant
Stephanie Weinman, committee administrative assistant

ADDITIONAL ATTENDEES PRESENT:

Angela McKnight, sergeant at arms

Michael McCain, clerk

III. BUSINESS

Representative Muscarello stated that the purpose of the meeting was to discuss cost factors and receive testimony related to Louisiana insurance rates.

Jacques Berry, Louisiana Department of Transportation and Development, no address provided, Baton Rouge, LA 70806, spoke for information only.

Kevin Reed, Louisiana Department of Transportation and Development, 1212 East Highway Drive, Baton Rouge, LA 70802, spoke for information only and presented a PowerPoint presentation entitled "Outdoor Advertising Program Overview", Exhibit A, which is included in the committee records.

Jennifer Nguyen, staff attorney, presented an overview of "Billboard Statistics by State", Exhibit B, which is included in the committee records.

Representative Muscarello and Kevin Reed discussed spacing requirements for outdoor advertising.

Joe Donahue, secretary, Louisiana Department of Transportation and Development, no address provided, spoke for information only.

In response to a question from Representative Chenevert, Kevin Reed stated that the department does not regulate the content of signs, only the location.

In response to questions on content of advertising from Representative Glorioso, Secretary Donahue stated that the Federal Communications Commission regulates television advertising and that he was not aware of any content regulations for billboards. He added that he would prefer any content limitations be handled by the attorney general. He also stated that he is unaware of any state that regulates billboard content.

Representative Muscarello and Kevin Reed discussed whether local ordinances were honored.

Travis Puls, Louisiana Department of Transportation and Development, 7686 Tom Drive, Baton Rouge, LA 70806, spoke for information only and responded to Representative Muscarello on the permitting process.

Tim Temple, commissioner, Louisiana Department of Insurance, 1702 North Third Street, Baton Rouge, LA 70802, spoke for information only.

Representative Muscarello pointed out that a certain trucking company in his district has Mississippi license plates on all of its trucks. Commissioner Temple suggested that increasing competition, lowering premiums, and making insurance more affordable was the answer.

In response to Representative Edmonston, Commissioner Temple stressed the need to continue the discussion of transparency, because Louisiana citizens are paying the highest premiums for the risks. He stated that true transparency is a must to find out where the insurance dollars are going.

Representative Turner and Commissioner Temple discussed the impact of storms on higher automobile costs.

Representative Wyble asked for reasonable time frame expectations for reforms to affect consumers, to which Commissioner Temple stated that it is up to companies, but that it would not be immediate. He added that Florida took eighteen to twenty-four months.

Representative Wyble asked if infrastructure contributes to the cause of auto accidents. Commissioner Temple responded that the department does not track that information.

In response to a question from Representative Melerine regarding the tax and surcharge on insurance, Commissioner Temple stated that Louisiana is second to Hawaii in having the highest on premium tax, which is currently 7.76%.

Representative Glorioso asked if the department should consider an advertising campaign to point out that the higher frequency of accident claims and frivolous lawsuits cause premiums to be higher. Commissioner Temple responded that the department is limited on public service announcements and that the public awareness campaign should be provided by the industry. Commissioner Temple stated that he would provide an analysis of the rate approval process. He also pointed out the large percentage of insureds with minimum coverage.

In response to questions from Representative Egan, Commissioner Temple stated that the minimum coverage amounts are more of a cost driver than the number of uninsured motorists, adding that he is against raising the minimum coverage limits in the current environment. Commissioner Temple reiterated that the frivolous lawsuits and minimum coverage limits have been designated by industry as cost drivers.

In response to questions from Representative Chenevert regarding the impact of insurance costs on businesses, Commissioner Temple stated that he has not done a cost analysis, but how premiums are being spent by insurance companies should be known. Commissioner Temple discussed how the

largest trucking company in Louisiana was going out of business due to insurance costs and the impact on the total economy.

In response to Representative Muscarello, Commissioner Temple provided a premium taxes and assessments collections history, Exhibit C, included in the committee records.

Representative Glorioso and Commissioner Temple discussed the effect of the minimum property damage limits.

Representative W. Carter and Commissioner Temple discussed the ability to generate revenues by insurance companies. Commissioner Temple stated that the loss ratio in Louisiana is over 100%.

Representative Ventrella and Commissioner Temple discussed the compulsory limits and whether an increase in the limits would reduce litigation costs.

Allison Alonzo, staff attorney, presented a PowerPoint presentation entitled "Tort Reform Bills - a glance at tort reform in surrounding states from 2019 to now", Exhibit D, which is included in the committee records.

IV. OTHER BUSINESS

There was no other business.

V. ANNOUNCEMENTS

There were no announcements

VI. ADJOURNMENT

The meeting was adjourned at 10:42 a.m.

Respectfully submitted,

Chair Nicholas Muscarello, Jr.
House Committee on Civil Law and Procedure