**Louisiana Property and Casualty Insurance Commission**

**Full Commission Meeting**

**Wednesday, September 14, 2011**

**Louisiana Department of Insurance**

**Plaza Hearing Room**

**1:30 p.m.**

**Minutes**

**Commission Members Present:** Commissioner Donelon, Senator Dan Morrish, Representative Page Cortez, Raymond Aleman, Jamie Bourg (representing Paul Buffone), Manuel DePascual, Nick Gautreaux, Michael Guy, Wes Hataway, Mike Barron (representing LTC John A. LeBlanc), Ann Metrailer, Robert Moorman, Representative Chris Roy, J.E. Brignac, Jr. (representing Stephen Schrempp) and Rina Thomas

**Commission Members Absent:** Ted Haik, Jeff Albright, Senator Eric LaFleur, Representative Chuck Kleckley, Lee Ann Alexander, Sheriff Greg Champagne, and Earl Taylor

**Commission Staff Present:** Terrell Moss, David Evans and Katie Walsh

**DOI Staff Present:** Clarissa Preston, Sherice Forte, Charles Hansberry, and John Lamke

Mr. Manuel DePascual, acting LPCIC Chairman, called the meeting to order at 1:43 p.m. He acknowledged new member Representative Chris Roy, Jr. (consumer representative appointed by the president of the Senate) and expressed appreciation for the service of the previous Senate consumer representative, Chris Haik. Mr. DePascual welcomed the Commission members and all others in attendance.

Ms. Walsh called the roll.

Mr. DePascual introduced the first guest speaker on the topic of Road Safety Cameras, Mr. Charles Buckels of Redflex Traffic Systems.

Mr. Buckels presented information on the effectiveness and widespread use of road safety or, as more commonly known, “red-light” cameras in reducing the deaths, injuries, and destruction of intersection and speeding related crashes. He stated that every year in the U.S. there are 200,000 intersection crashes resulting in 170,000 serious injuries and about 1,000 deaths. Speed related crashes kill about 13,000 annually in our country – about the same number as DWI related deaths.

According to Mr. Buckels, road safety cameras have been in use nationally since the late 1980’s. Today there are 3,000 to 4,000 fixed camera locations across about 500 communities in 26 states. Photo enforcement has been used in Louisiana for only about the last 4 years, so only now is there enough accumulated data to judge their effectiveness in the state.

Louisiana’s experience reflects the trends documented nationally. Mr. Buckels cited a 75% reduction in speed related crashes in Baker and a 65% reduction in intersection crashes where cameras are operating in Lafayette. He also reported on studies elsewhere in the country that validate a significant reduction in crashes when road safety cameras are in place and a dramatic increase in crashes when use of existing cameras is banned.

The success and longevity of photo enforcement in any locality is dependent on public outreach, according to Mr. Buckels. “The more people know about the program, the more overt the program is – the better affect it has on public safety.”

Mr. Ingolf Partenheimer, Chief Traffic Engineer for the City of Baton Rouge, described his city’s experience with red light cameras, which began in 2008. He stated that he was not initially a proponent of the program, but that once he was asked to run it he was determined that the cameras actually worked, were consistently fair to everyone, and would result in fewer severe injuries and deaths.

The location of the current 27 cameras at 18 intersections was based on an analysis of the type and number of traffic accidents at each of the city’s 471 signal controlled intersections. The goal was to reduce the crashes that result in the most injury and death – right angle, left turn, and right turn collisions – not to produce a revenue stream from fines. To keep the public aware and informed, each camera’s location was posted on Baton Rouge’s Website.

Mr. Partenheimer indicated that there has been an overall decrease in accidents at the camera policed intersections; however, he is not ready to publicize a figure, because he has insufficient data – only 1 year.

The two presentations promoted active discussion from the Commission members. Among the issues raised and discussed were: constitutionality, local laws required for implementation, quality and extent of crash data, gross amount of fines collected, timing of yellow caution light, and effect on auto insurance rates. On this last issue, it was agreed that over time the fewer crashes, severe injuries, and deaths will result in fewer claims and claims payments which should be reflected in premium.

Information was received on property and casualty legislation enacted during the 2011 Session of the Legislature from Mr. Mike Barron, consultant for Louisiana Highway Safety Commission, Mr. Nick Gautreaux, Commissioner of the Office of Motor Vehicles (OMV), and Mr. Ed O’Brien, Deputy Commissioner of the Louisiana Department of Insurance (LDI), Office of Property and Casualty.

Mr. Barron reported on new laws that increase ignition interlock monitoring and reporting (Act 192), allow split-screen video in a vehicle (Act 174), restrict licensing of DWI offenders as school bus drivers (Act 193), require driver’s license suspension of those arrested for vehicular homicide when tested positive for alcohol or drug impairment (Act 298), and require driving schools to administer driver’s license skills tests (Act 307). Of particular note, Mr. Barron believes that the increased ignition interlock monitoring and electronic reporting will allow the state to track the devices in “almost real time” and result in “more effective sanctioning for the people that are improperly using the device.”

Mr. Gautreaux in his review of Act 192 said the increased interlock monitoring/reporting will become a valuable tool in advancing the public safety goal of zero deaths. Act 370 closed a gap in the law that had allowed people to drive for 10 days without liability insurance without being fined by OMV. Other new laws that he praised were Act 294 consolidating the regulation of driver’s education programs and Act 307.

Suggesting two future changes in the law that could dramatically reduce the uninsured motorist rate, Mr. Gautreaux explained that a doubling of OMV fines would make it cheaper to buy auto liability insurance than to pay the fines and that “real time” insurance verification would more quickly and reliably identify the uninsured.

Mr. O’Brien reported that Act 373 will allow the electronic delivery of insurance policies if both the insurer and policyholder agree. Act 135 once again allows the “short rate” calculation of unearned premium when a policy is cancelled by the insured. Mr. O’Brien noted that, in accordance with House Resolution 17, the LDI had completed and would deliver a study on homeowner premiums in the coastal parishes to the House Insurance Committee the following day.

At 3:12, with no further business to discuss, Mr. DePascual asked for a motion to adjourn the meeting.