HLS 17RS-933 **ORIGINAL**

2017 Regular Session

1

HOUSE CONCURRENT RESOLUTION NO. 6

BY REPRESENTATIVE MCFARLAND

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

BONDS: Amends the Department of Transportation and Development's administrative rules pertaining to property damage bonds

A CONCURRENT RESOLUTION

2	To enact the Department of Transportation and Development rules LAC 73:I.705(E), which
3	provides requirements for property damage bonds; to provide an exception for
4	timber, logging, and lumber companies; and to direct the office of the state register
5	to print the amendments in the Louisiana Administrative Code.
6	WHEREAS, property damage bond requirements of the Department of
7	Transportation and Development obligate certain timber, logging, and lumber companies to
8	secure liability bonds or certificates of insurance with a minimum amount of one hundred
9	thousand dollars for one trip or two hundred fifty thousand dollars for a year; and
10	WHEREAS, timber, logging, and lumber companies currently pay a severance tax
11	and seventy-five percent of the tax collected is remitted to the parishes in which severance
12	or production occurs; and
13	WHEREAS, the portion of the severance tax that is remitted to the parishes may be
14	used to cover damage to the property of any political subdivision occasioned by any timber,
15	logging, or lumber company in the parish in which timber severance or production occurs;
16	and
17	WHEREAS, timber, logging, and lumber companies currently pay property taxes for
18	roads, timber severance taxes, sales taxes for roads in some parishes, diesel fuel tax, and
19	taxes related to the parish transportation act to cover any damage occasioned by them; and

1	WHEREAS, requiring timber, logging, and lumber companies to also purchase a
2	liability bond or certificate of insurance to insure against any damage to state property would
3	be an overly burdensome fourth type of required payment for a single timber, logging, or
4	lumber contract; and
5	WHEREAS, these rules, as written and applied, place an undue financial burden on
6	timber, logging, and lumber companies; and
7	WHEREAS, R.S. 49:969 provides that "the legislature, by Concurrent Resolution,
8	may suspend, amend, or repeal any rule or regulation or body of rules or regulations adopted
9	by a state department, agency, board, or commission".
10	THEREFORE, BE IT RESOLVED by the Legislature of Louisiana that LAC
11	73:I.705(E) is hereby enacted to read as follows:
12	§705. Property Damage Bond
13	* * *
14	E. Timber, Logging, and Lumber Company
15	1. This Subsection shall only apply to the governing authority of a political
16	subdivision seeking liability bonds or certificates of insurance from timber, logging,
17	and lumber companies that harvest or transport timber, logs, or lumber.
18	2. For the purposes of this Subsection "one trip" means ninety days or as
19	long as the permit is in existence, whichever is longer.
20	3. Notwithstanding any other provisions of law to the contrary, the minimum
21	amount of the bond or certificate of insurance that shall be required for a timber,
22	logging, or lumber company operating on a local road or highway as follows:
23	a. For unpaved roads, one thousand dollars for one trip or five thousand
24	dollars for a year.
25	b. For paved roads, two thousand dollars for one trip or ten thousand dollars
26	for a year.
27	c. For any highway, three thousand dollars for one trip or fifteen thousand
28	dollars for a year.
29	* * *

- BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
- 2 office of the state register.
- 3 BE IT FURTHER RESOLVED that the office of the state register is hereby directed
- 4 to have the amendments to LAC 73:I.705(B) printed and incorporated into the Louisiana
- 5 Administrative Code.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HCR 6 Original

2017 Regular Session

McFarland

Enacts LAC 73:I.705(E) of the rules and regulations promulgated by the Dept. of Transportation and Development, relative to the requirement for property damage bonds. Modifies the administrative rule to provide an exception for timber, logging, and lumber companies that allows those companies to secure bonds or certificates of insurance for a lower amount than the minimum bond of \$100,000 for one trip or \$250,000 for a year as required by present administrative rule.

Directs the office of the state register to print the amendment to LAC 73:I.705(E) in the La. Administrative Code.

(Amends LAC 73:I.705(E))