

May 5, 2021

The Honorable Stephanie Murphy  
Chair  
Blue Dog Coalition

The Honorable Ed Case  
Chair  
Blue Dog Coalition

The Honorable Tom O'Halleran  
Chair  
Blue Dog Coalition

Dear Chairs Murphy, Case and O'Halleran,

As the House Committee on Transportation & Infrastructure develops the next surface transportation reauthorization bill, our organizations strongly oppose any increase in the existing minimum liability coverage for motor carriers. An increase in insurance requirements is wholly unnecessary, would do nothing to improve highway safety, and would have a severe negative impact on our members by significantly increasing their operational costs.

Increasing minimum liability coverage would affect all businesses transporting property, not just long-haul trucking operations. As illustrated by the diversity of our coalition, the impact would be felt in many sectors of the economy that have been working to help our nation recover from the COVID-19 pandemic, including the trucking, agriculture, construction, manufacturing, towing and the materials industries. Raising insurance rates for countless businesses engaged in trucking in the midst of the current economic disruption caused by the virus would undoubtedly lead to the loss of even more American jobs. This policy clearly does not belong in legislation that is designed to support economic recovery and encourage growth.

Furthermore, federal research has demonstrated such a change is entirely unnecessary. As required by MAP-21, the Federal Motor Carrier Safety Administration (FMCSA) commissioned the John A. Volpe National Transportation Systems Center to research this issue in greater detail. In 2014, Volpe released its report, which explained, "The **vast majority** of CMV-caused crashes have relatively small cost consequences, and the costs are easily covered with the limits of mandatory liability insurance" [emphasis added]. Volpe adds, "A small share exceed the mandatory minimum but are often covered by other insurance or assets." In fact, this study determined today's minimum insurance level adequately covers damages in all but 0.6% of crashes.

What studies haven't shown is any improvement to safety associated with increasing insurance requirements. There is no reputable research indicating an increase of any amount would help reduce crash rates. Proposals to raise minimum liability coverage are nothing more than an opportunity for their most ardent supporters - trial lawyers - to receive higher payouts from settlements at the expense of American businesses.

Supporters of insurance increases have said they are necessary because crashes that are not covered by the existing minimums are occurring. We do not disagree with this, but it is again important to highlight that FMCSA has shown these instances are rare. FMCSA itself has said these crashes represent less than one-

percent of all CMV crashes. It is difficult to think of any other policy that addresses over 99% of cases and would be considered a failure in need of fixing.

Rejecting calls for increases in insurance coverage will help protect American jobs and businesses, including countless small businesses, from an unnecessary and excessive policy designed to further line the pockets of trial lawyers at the expense of truckers, farmers, construction firms, manufacturers and more. We strongly discourage you from supporting any such provision in the next surface transportation reauthorization bill or any infrastructure package.

Thank you for your consideration.

Sincerely,

Agricultural Retailers Association  
American Beekeeping Federation  
American Concrete Pavement Association  
American Concrete Pipe Association  
American Concrete Pumping Association  
American Dairy Coalition  
American Farm Bureau Federation  
American Forest and Paper Association  
American Pipeline Contractors Association  
American Sheep Industry Association  
Associated Equipment Distributors  
Colorado Motor Carriers Association  
Concrete Foundations Association  
Concrete Reinforcing Steel Institute  
Consumer Brands Association  
Customized Logistics and Delivery Association  
Distribution Contractors Association  
Energy Marketers of America  
Georgia Motor Trucking Association  
Hawaii Transportation Association  
Kansas Motor Carriers Association  
Livestock Marketing Association  
Maine Motor Transport Association  
Mid-West Truckers Association  
Minnesota Trucking Association  
Missouri Trucking Association  
Motor Carriers of Montana  
Motor Transport Association of Connecticut  
National Aquaculture Association  
National Asphalt Pavement Association  
National Association of Small Trucking Companies  
National Cattlemen's Beef Association  
National Grain and Feed Association  
National Precast Concrete Association  
National Ready Mixed Concrete Association  
National Stone Sand and Gravel Association  
National Utility Contractors Association  
Nevada Trucking Association

New Hampshire Motor Transport Association  
New Jersey Motor Truck Association  
New Mexico Trucking Association  
NFIB  
North American Miller's Association  
North American Punjabi Trucking Association  
North American Renderers Association  
Owner-Operator Independent Drivers Association  
Pet Food Institute  
Port Drivers Association  
Power and Communication Contractors Association  
Precast/Prestressed Concrete Institute  
Rhode Island Trucking Association, Inc.  
South Carolina Trucking Association  
South Dakota Trucking Association  
Southwest Movers Association  
Tennessee Trucking Association  
Texas Trucking Association  
Tilt-Up Concrete Association  
Towing and Recovery Association of America, Inc  
Truck Renting and Leasing Association  
United Dairymen of Arizona  
United Fresh Produce Association  
United States Cattlemen's Association  
Vermont Truck & Bus Association  
Western States Trucking Association  
Wyoming Trucking Association

cc: Members of the Blue Dog Coalition