July 27, 2020

The Honorable Roger Wicker  The Honorable Maria Cantwell
Chairman  Ranking Member
Senate Committee on Commerce, Science &  Senate Committee on Commerce, Science &
Transportation  Transportation
512 Dirksen Senate Office Building  512 Dirksen Senate Office Building
Washington, DC  20510  Washington, DC  20510

Dear Chairman Wicker and Ranking Member Cantwell,

As the Senate Committee on Commerce, Science & Transportation develops its title of the next surface transportation reauthorization bill, our organizations strongly discourage you from including 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 truckers, farmers, and manufacturers 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 are currently working to help our nation recover from the COVID-19 pandemic, including trucking, agriculture and the materials industries. Raising insurance rates for countless businesses engaged in trucking in the midst of an economic downturn would undoubtedly lead to the loss of even more American jobs. This policy does not belong in legislation that is designed to support economic recovery and encourage growth.

Furthermore, 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 0.06% 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.

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 and
manufacturers. We strongly discourage you from including any such provision in the Committee’s title of the next surface transportation reauthorization bill.

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
Distribution Contractors Association
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 Asphalt Pavement Association
National Association of Small Trucking Companies
National Aquaculture Association
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 Renderers Association
Owner-Operator Independent Drivers Association
Petroleum Marketers Association of America
Pet Food Institute
Power and Communication Contractors Association
Precast/Prestressed Concrete Institute
Rhode Island Trucking Association
Southwest Movers Association
South Carolina Trucking Association
South Dakota Trucking Association
Tennessee Trucking Association
Texas Trucking Association
Tilt-Up Concrete Association
Towing and Recovery Association of America
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 Senate Committee on Commerce, Science & Transportation