

June 29, 2020

The Hon. James P. McGovern
Chairman
House Committee on Rules
H-312 The Capitol
Washington, DC 20515

The Hon. Tom Cole
Ranking Member
House Committee on Rules
H-312 The Capitol
Washington, DC 20515

Dear Chairman McGovern and Ranking Member Cole,

When the House Committee on Rules meets to develop a rule for the consideration of H.R. 2, the Moving Forward Act, our organizations implore you to make in order amendment #194 filed by Rep. Mike Bost (IL-12) that would strike Section 4408 from the bill. This section, added on a party-line vote during markup of the bill by the House Committee on Transportation & Infrastructure, would have a severe negative impact on truckers, farmers, and manufacturers by significantly increasing their operational costs.

Section 4408 would mandate an unnecessary increase in minimum liability coverage for motor carriers from \$750,000 to \$2,000,000. This 167% increase would apply to all businesses transporting property, not just long-haul trucking operations. Its impact would be felt in many sectors of our economy that are currently working to help our nation recover from the COVID-19 pandemic, including trucking, agriculture and the materials industries. More than doubling insurance rates for businesses engaged in trucking in the midst of an economic downturn will undoubtedly lead to the loss of even more jobs. Section 4408 does not belong in legislation that is designed to support economic recovery and encourage growth.

Furthermore, this provision is wholly 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 policies like Section 4408 will help reduce crash rates. Section 4408 is nothing more than an opportunity for its most ardent supporters - trial lawyers - to receive higher payouts from settlements at the expense of American businesses.

Rep. Bost’s amendment to strike Section 4408 would 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 encourage you to ensure Bost Amendment #194 is made in order when the House takes up H.R. 2 this week.

Thank you for your consideration.

Sincerely,

Agricultural Retailers Association
American Concrete Pavement Association
American Concrete Pipe Association
American Concrete Pumping Association
American Dairy Coalition
American Farm Bureau Federation
American Pipeline Contractors 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
Mid-West Truckers Association
Missouri Trucking Association
Motor Carriers of Montana
Motor Transport Association of Connecticut
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
Power and Communication Contractors Association

Precast/Prestressed Concrete Institute
Rhode Island Trucking Association
Southwest Movers Association
South Carolina Trucking Association
South Dakota Trucking Association
Texas Trucking Association
Tilt-Up Concrete Association
Towing and Recovery Association of America
Truck Renting and Leasing Association
United Fresh Produce Association
United States Cattlemen's Association
Vermont Truck & Bus Association
Western States Trucking Association
Wyoming Trucking Association

cc: Members of the House Committee on Rules