

June 28, 2021

The Honorable Jim McGovern
Chairman
House Committee on Rules
H-312, The Capitol
Washington, D.C. 20515

The Honorable Tom Cole
Ranking Member
House Committee on Rules
H-152, The Capitol
Washington, D.C. 20515

Dear Chairman McGovern and Ranking Member Cole,

Our organizations write in support of Bost Amendment #220, which would eliminate Section 4408, a harmful and unnecessary minimum liability insurance increase for motor carriers, from the INVEST in America Act. If the House allows this policy to remain in the highway bill, it would jeopardize countless small and family-owned businesses, as well as blue collar jobs. We therefore ask that you make Rep. Bost's amendment in order and allow all Representatives to consider this issue on its own merits.

Section 4408 would increase minimum liability insurance requirements for motor carriers by 167%, from the current level of \$750,000 to \$2,000,000. 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.

Supporters of a minimum insurance increase have said that the change is necessary to account for inflation that has occurred since the current level was established. But as demonstrated by the Volpe Report, the existing level adequately covers over 99% of cases. It may be true that inflation has increased some costs, but this congressionally-required research demonstrates that inflation has not outpaced the current minimum requirements.

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.

Increasing minimum liability coverage would harm 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. This policy clearly does not belong in legislation that is designed to support economic recovery and encourage growth.

Notably, the Senate Commerce, Science, and Transportation Committee passed its portion of the highway bill with a large bipartisan margin, **and this bill did not include any changes to minimum insurance levels.** In order to allow the House to pass a bill that can garner bipartisan support in the Senate, and ultimately be signed in to law, we ask that Bost Amendment #220 be made in order so the House can strike this harmful provision from the INVEST in America Act.

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 Federal of Independent Business (NFIB)
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
North American Millers' 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 Committee on Rules