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116TH CONGRESS
1ST SESSION

H. R. 3781

To increase the minimum levels of financial responsibility for transporting property, and to index future increases to changes in inflation relating to medical care.

IN THE HOUSE OF REPRESENTATIVES

JULY 16, 2019

Mr. GARCÍA of Illinois (for himself, Mr. CARTWRIGHT, Mr. ESPAILLAT, Ms. MENG, Mr. COHEN, Mr. PAYNE, and Mr. SOTO) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

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A BILL

To increase the minimum levels of financial responsibility for transporting property, and to index future increases to changes in inflation relating to medical care.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Improving National Safety by Updating the Required Amount of Insurance Needed by Commercial Motor Vehicles per Event (INSURANCE) Act of 2019".

SEC. 2. FINDINGS.

The Congress finds the following:

(1) In passing the Motor Carrier Act of 1980, Public Law 96–296, Congress intended for the minimum insurance levels to maintain safety. According to the House Report No. 96–1069, ''the action of the Committee in increasing financial responsibility is to encourage the carriers to engage in practices and procedures that will enhance the safety of their equipment so as to afford the best protection to the public.''.

(2) The National Transportation Policy Study Commission (which consisted of six Members of the Senate, six Members of the House of Representatives, and seven public members appointed by the President) recommended mandatory minimum insurance requirements of $1,000,000, in its 1979 Final Report to the Congress, National Transportation Policies through the Year 2000. The Report stated: ''As an example, all certificated motor carriers operating upon the highways should be obligated to carry adequate insurance (or proof of financial responsibility equal to such insurance) to protect the public. The insurance should cover public liability, property, damage, cargo and environmental restoration with a $1 million for single occurrence, or another min-

imum amount sufficient to require periodic 'on site' inspection by the insurance company, with the minimum to be updated regularly. Non-certificated motor carriers should be subject to similar standards.''.

(3) According to the U.S. Bureau of Labor Statistics, the amount of $750,000, set in 1980 (the year of enactment), would have the same purchasing power as $4,923,153.29 in 2019, if the amount was raised to account for medical-cost inflation.

SEC. 3. MINIMUM FINANCIAL RESPONSIBILITY FOR TRANSPORTING PROPERTY.

(a) IN GENERAL.—Section 31139(b) of title 49, United States Code, is amended—

(1) in paragraph (2), by striking ''$750,000'' and inserting ''$4,923,154''; and

(2) by adding at the end the following:

''(3) ADJUSTMENT.—The Secretary, in consultation with the Bureau of Labor Statistics, shall adjust the minimum level of financial responsibility under paragraph (2) quinquennially for inflation relating to medical care.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date that is 1 year after the date of enactment of this Act.

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