

**Editorial Notes**

## REFERENCES IN TEXT

The date of enactment of the Commercial Motor Vehicle Safety Enhancement Act of 2012, referred to in subsec. (a), is the date of enactment of title II of div. C of Pub. L. 112-141, which was approved July 6, 2012.

## AMENDMENTS

2015—Pub. L. 114-94, § 5508(b)(2), amended directory language of Pub. L. 112-141, § 32301(b)(3). See 2012 Amendment note for subsecs. (a) to (f) below.

Subsec. (b)(1)(C). Pub. L. 114-94, § 5507(1), substituted “except as provided in paragraph (3), apply to” for “apply to”.

Subsec. (b)(3). Pub. L. 114-94, § 5507(2), added par. (3).  
2012—Pub. L. 112-141, § 32301(b)(1), substituted “Electronic logging devices and brake maintenance regulations” for “Monitoring device and brake maintenance regulations” in section catchline.

Subsecs. (a) to (f). Pub. L. 112-141, § 32301(b)(3), as amended by Pub. L. 114-94, § 5508(b)(2), added subsecs. (a) to (f) and struck out former subsec. (a). Prior to amendment, text of subsec. (a) read as follows: “If the Secretary of Transportation prescribes a regulation about the use of monitoring devices on commercial motor vehicles to increase compliance by operators of the vehicles with hours of service regulations of the Secretary, the regulation shall ensure that the devices are not used to harass vehicle operators. However, the devices may be used to monitor productivity of the operators.” Former subsec. (b) redesignated (g).

Subsec. (g). Pub. L. 112-141, § 32931(a), which directed substitution of “The Secretary shall maintain” for “Not later than December 1, 1990, the Secretary shall prescribe”, was executed by making the substitution for “Not later than December 31, 1990, the Secretary shall prescribe”, to reflect the probable intent of Congress.

Pub. L. 112-141, § 32301(b)(2), redesignated subsec. (b) as (g).

**Statutory Notes and Related Subsidiaries**

## EFFECTIVE DATE OF 2015 AMENDMENT

Amendment by section 5507 of Pub. L. 114-94 effective Oct. 1, 2015, see section 1003 of Pub. L. 114-94, set out as a note under section 5313 of Title 5, Government Organization and Employees.

Pub. L. 114-94, div. A, title V, § 5508(b), Dec. 4, 2015, 129 Stat. 1554, provided that the amendment made by section 5508(b)(2) is effective as of July 6, 2012, and as if included in Pub. L. 112-141 as enacted.

## EFFECTIVE DATE OF 2012 AMENDMENT

Amendment by Pub. L. 112-141 effective Oct. 1, 2012, see section 3(a) of Pub. L. 112-141, set out as an Effective and Termination Dates of 2012 Amendment note under section 101 of Title 23, Highways.

**§ 31138. Minimum financial responsibility for transporting passengers**

## (a) GENERAL REQUIREMENT.—

(1) TRANSPORTATION OF PASSENGERS FOR COMPENSATION.—The Secretary of Transportation shall prescribe regulations to require minimum levels of financial responsibility sufficient to satisfy liability amounts established by the Secretary covering public liability and property damage for the transportation of passengers for compensation by motor vehicle in the United States between a place in a State and—

- (A) a place in another State;
- (B) another place in the same State through a place outside of that State; or

(C) a place outside the United States.

(2) TRANSPORTATION OF PASSENGERS NOT FOR COMPENSATION.—The Secretary may prescribe regulations to require minimum levels of financial responsibility sufficient to satisfy liability amounts established by the Secretary covering public liability and property damage for the transportation of passengers for commercial purposes, but not for compensation, by motor vehicle in the United States between a place in a State and—

- (A) a place in another State;
- (B) another place in the same State through a place outside of that State; or
- (C) a place outside the United States.

(b) MINIMUM AMOUNTS.—The level of financial responsibility established under subsection (a) of this section for a motor vehicle with a seating capacity of—

- (1) at least 16 passengers shall be at least \$5,000,000; and
- (2) not more than 15 passengers shall be at least \$1,500,000.

(c) EVIDENCE OF FINANCIAL RESPONSIBILITY.—(1) Subject to paragraph (2) of this subsection, financial responsibility may be established by evidence of one or a combination of the following if acceptable to the Secretary of Transportation:

- (A) insurance, including high self-retention.
- (B) a guarantee.
- (C) a surety bond issued by a bonding company authorized to do business in the United States.

(2) A person domiciled in a country contiguous to the United States and providing transportation to which a minimum level of financial responsibility under this section applies shall have evidence of financial responsibility in the motor vehicle when the person is providing the transportation. If evidence of financial responsibility is not in the vehicle, the Secretary of Transportation and the Secretary of the Treasury shall deny entry of the vehicle into the United States.

(3) A motor carrier may obtain the required amount of financial responsibility from more than one source provided the cumulative amount is equal to the minimum requirements of this section.

(4) OTHER PERSONS.—The Secretary may require a person, other than a motor carrier (as defined in section 13102), transporting passengers by motor vehicle to file with the Secretary the evidence of financial responsibility specified in subsection (c)(1) in an amount not less than the greater of the amount required by subsection (b)(1) or the amount required for such person to transport passengers under the laws of the State or States in which the person is operating; except that the amount of the financial responsibility must be sufficient to pay not more than the amount of the financial responsibility for each final judgment against the person for bodily injury to, or death of, an individual resulting from the negligent operation, maintenance, or use of the motor vehicle, or for loss or damage to property, or both.

(d) CIVIL PENALTY.—(1) If, after notice and an opportunity for a hearing, the Secretary of

Transportation finds that a person (except an employee acting without knowledge) has knowingly violated this section or a regulation prescribed under this section, the person is liable to the United States Government for a civil penalty of not more than \$10,000 for each violation. A separate violation occurs for each day the violation continues.

(2) The Secretary of Transportation shall impose the penalty by written notice. In determining the amount of the penalty, the Secretary shall consider—

(A) the nature, circumstances, extent, and gravity of the violation;

(B) with respect to the violator, the degree of culpability, any history of prior violations, the ability to pay, and any effect on the ability to continue doing business; and

(C) other matters that justice requires.

(3) The Secretary of Transportation may compromise the penalty before referring the matter to the Attorney General for collection.

(4) The Attorney General shall bring a civil action in an appropriate district court of the United States to collect a penalty referred to the Attorney General for collection under this subsection.

(5) The amount of the penalty may be deducted from amounts the Government owes the person. An amount collected under this section shall be deposited in the Highway Trust Fund (other than the Mass Transit Account).

(e) NONAPPLICATION.—This section does not apply to a motor vehicle—

(1) transporting only school children and teachers to or from school;

(2) providing taxicab service (as defined in section 13102);

(3) carrying not more than 15 individuals in a single, daily round trip to and from work; or

(4) providing transportation service within a transit service area under an agreement with a Federal, State, or local government funded, in whole or in part, with a grant under section 5307, 5310, or 5311, including transportation designed and carried out to meet the special needs of elderly individuals and individuals with disabilities; except that, in any case in which the transit service area is located in more than 1 State, the minimum level of financial responsibility for such motor vehicle will be at least the highest level required for any of such States.

(Pub. L. 103-272, §1(e), July 5, 1994, 108 Stat. 1005; Pub. L. 104-88, title I, §104(c), (d), Dec. 29, 1995, 109 Stat. 919; Pub. L. 107-298, §3(b)(2), Nov. 26, 2002, 116 Stat. 2343; Pub. L. 109-59, title IV, §§4120(a), 4121, Aug. 10, 2005, 119 Stat. 1733, 1734; Pub. L. 110-244, title III, §305(a), June 6, 2008, 122 Stat. 1619.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
31138(a) .....	49:10927 (note).	Sept. 20, 1982, Pub. L. 97-261, §18(a), 96 Stat. 1121.
31138(b) .....	49:10927 (note).	Sept. 20, 1982, Pub. L. 97-261, §18(b), (c), 96 Stat. 1121.
31138(c) .....	49:10927 (note).	Sept. 20, 1982, Pub. L. 97-261, §18(d), 96 Stat. 1121; Oct. 30, 1984, Pub. L. 98-554, §224, 98 Stat. 2847.

HISTORICAL AND REVISION NOTES—CONTINUED

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
31138(d) .....	49:10927 (note).	Sept. 20, 1982, Pub. L. 97-261, §18(e), 96 Stat. 1122.
31138(e) .....	49:10927 (note).	Sept. 20, 1982, Pub. L. 97-261, §18(f), (g), 96 Stat. 1122.

In subsection (b), before clause (1), the text of section 18(b)(1) (words beginning with “except”) and (2) (words beginning with “except”) and (c) of the Bus Regulatory Reform Act of 1982 (Public Law 97-261, 96 Stat. 1121) is omitted as expired. The word “minimal” is omitted as surplus.

In subsection (c)(1), the words “The Secretary shall establish, by regulation, methods and procedures to assure compliance with this section” are omitted as surplus.

In subsection (d)(4), the words “The Attorney General shall bring a civil action . . . to collect a penalty referred to the Attorney General for collection under this subsection” are substituted for “Such civil penalty may be recovered in an action brought by the Attorney General on behalf of the United States” for consistency in the revised title.

In subsection (d)(5), the words “when finally determined (or agreed upon in compromise)” are omitted as surplus.

In subsection (e), before clause (1), the text of section 18(g) of the Bus Regulatory Reform Act of 1982 (Public Law 97-261, 96 Stat. 1122) is omitted as unnecessary because of the restatement.

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AMENDMENTS

2008—Subsec. (a). Pub. L. 110-244, §305(a)(1), added subsec. (a) and struck out former subsec. (a). Prior to amendment, text read as follows: “The Secretary of Transportation shall prescribe regulations to require minimum levels of financial responsibility sufficient to satisfy liability amounts established by the Secretary covering public liability and property damage for the transportation of passengers by commercial motor vehicle in the United States between a place in a State and—

“(1) a place in another State;

“(2) another place in the same State through a place outside of that State; or

“(3) a place outside the United States.”

Subsec. (c)(4). Pub. L. 110-244, §305(a)(2), struck out “commercial” before “motor vehicle” in two places.

2005—Subsec. (a). Pub. L. 109-59, §4120(a)(1), struck out “for compensation” after “passengers” and inserted “commercial” before “motor vehicle” in introductory provisions.

Subsec. (c)(4). Pub. L. 109-59, §4120(a)(2), added par. (4).

Subsec. (d)(5). Pub. L. 109-59, §4121, substituted “Highway Trust Fund (other than the Mass Transit Account)” for “Treasury as miscellaneous receipts”.

2002—Subsec. (e)(2). Pub. L. 107-298 amended par. (2) generally. Prior to amendment, par. (2) read as follows: “providing taxicab service, having a seating capacity of not more than 6 passengers, and not being operated on a regular route or between specified places;”.

1995—Subsec. (c)(3). Pub. L. 104-88, §104(c), added par. (3).

Subsec. (e)(4). Pub. L. 104-88, §104(d), added par. (4).

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1995 AMENDMENT

Amendment by Pub. L. 104-88 effective Jan. 1, 1996, see section 2 of Pub. L. 104-88, set out as an Effective Date note under section 1301 of this title.

MINIMUM FINANCIAL RESPONSIBILITY

Pub. L. 114-94, div. A, title V, §5509, Dec. 4, 2015, 129 Stat. 1554, provided that:

“(a) TRANSPORTING PROPERTY.—If the Secretary [of Transportation] proceeds with a rulemaking to determine whether to increase the minimum levels of financial responsibility required under section 31139 of title 49, United States Code, the Secretary shall consider, prior to issuing a final rule—

“(1) the rulemaking’s potential impact on—

“(A) the safety of motor vehicle transportation; and

“(B) the motor carrier industry;

“(2) the ability of the insurance industry to provide the required amount of insurance;

“(3) the extent to which current minimum levels of financial responsibility adequately cover—

“(A) medical care;

“(B) compensation; and

“(C) other identifiable costs;

“(4) the frequency with which insurance claims exceed current minimum levels of financial responsibility in fatal accidents; and

“(5) the impact of increased levels on motor carrier safety and accident reduction.

“(b) TRANSPORTING PASSENGERS.—

“(1) IN GENERAL.—Prior to initiating a rulemaking to change the minimum levels of financial responsibility under section 31138 of title 49, United States Code, the Secretary shall complete a study specific to the minimum financial responsibility requirements for motor carriers of passengers.

“(2) STUDY CONTENTS.—A study under paragraph (1) shall include, to the extent practicable—

“(A) a review of accidents, injuries, and fatalities in the over-the-road bus and school bus industries;

“(B) a review of insurance held by over-the-road bus and public and private school bus companies, including companies of various sizes, and an analysis of whether such insurance is adequate to cover claims;

“(C) an analysis of whether and how insurance affects the behavior and safety record of motor carriers of passengers, including with respect to crash reduction; and

“(D) an analysis of the anticipated impacts of an increase in financial responsibility on insurance premiums for passenger carriers and service availability.

“(3) CONSULTATION.—In conducting a study under paragraph (1), the Secretary shall consult with—

“(A) representatives of the over-the-road bus and private school bus transportation industries, including representatives of bus drivers; and

“(B) insurers of motor carriers of passengers.

“(4) REPORT.—If the Secretary undertakes a study under paragraph (1), the Secretary shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a report on the results of the study.”

### § 31139. Minimum financial responsibility for transporting property

(a) DEFINITIONS.—In this section—

(1) “farm vehicle” means a vehicle—

(A) designed or adapted and used only for agriculture;

(B) operated by a motor private carrier (as defined in section 10102 of this title); and

(C) operated only incidentally on highways.

(2) “interstate commerce” includes transportation between a place in a State and a place outside the United States, to the extent the transportation is in the United States.

(3) “State” means a State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, American Samoa, Guam, and the Northern Mariana Islands.

(b) GENERAL REQUIREMENT AND MINIMUM AMOUNT.—(1) The Secretary of Transportation shall prescribe regulations to require minimum levels of financial responsibility sufficient to satisfy liability amounts established by the Secretary covering public liability, property damage, and environmental restoration for the transportation of property by motor carrier or motor private carrier (as such terms are defined in section 13102 of this title) in the United States between a place in a State and—

(A) a place in another State;

(B) another place in the same State through a place outside of that State; or

(C) a place outside the United States.

(2) The level of financial responsibility established under paragraph (1) of this subsection shall be at least \$750,000.

(c) FILING OF EVIDENCE OF FINANCIAL RESPONSIBILITY.—The Secretary may require a motor private carrier (as defined in section 13102) to file with the Secretary the evidence of financial responsibility specified in subsection (b) in an amount not less than the greater of the minimum amount required by this section or the amount required for such motor private carrier to transport property under the laws of the State or States in which the motor private carrier is operating; except that the amount of the financial responsibility must be sufficient to pay not more than the amount of the financial responsibility for each final judgment against the motor private carrier for bodily injury to, or death of, an individual resulting from negligent operation, maintenance, or use of the motor vehicle, or for loss or damage to property, or both.

(d) REQUIREMENTS FOR HAZARDOUS MATTER AND OIL.—(1) The Secretary of Transportation shall prescribe regulations to require minimum levels of financial responsibility sufficient to satisfy liability amounts established by the Secretary covering public liability, property damage, and environmental restoration for the transportation by motor vehicle in interstate or intrastate commerce of—

(A) hazardous material (as defined by the Secretary);

(B) oil or hazardous substances (as defined by the Administrator of the Environmental Protection Agency); or

(C) hazardous wastes (as defined by the Administrator).

(2)(A) Except as provided in subparagraph (B) of this paragraph, the level of financial responsibility established under paragraph (1) of this subsection shall be at least \$5,000,000 for the transportation—

(i) of hazardous substances (as defined by the Administrator) in cargo tanks, portable tanks, or hopper-type vehicles, with capacities of more than 3,500 water gallons;

(ii) in bulk of class A explosives, poison gas, liquefied gas, or compressed gas; or

(iii) of large quantities of radioactive material.

(B) The Secretary of Transportation by regulation may reduce the minimum level in subparagraph (A) of this paragraph (to an amount not less than \$1,000,000) for transportation described in subparagraph (A) in any of the terri-