

117TH CONGRESS
1ST SESSION

H. R. 2687

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

APRIL 20, 2021

Mr. GARCÍA of Illinois (for himself, Mr. HUFFMAN, Mr. JOHNSON of Georgia, Mr. GARAMENDI, Mr. JONES, Ms. JOHNSON of Texas, Mr. COHEN, Mr. ESPAILLAT, and Mr. LOWENTHAL) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

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.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Improving National
5 Safety by Updating the Required Amount of Insurance
6 Needed by Commercial Motor Vehicles per Event Act of
7 2021” or the “INSURANCE Act of 2021”.

1 **SEC. 2. FINDINGS.**

2 The Congress finds the following:

3 (1) In passing the Motor Carrier Act of 1980,
4 Public Law 96–296, Congress intended for the min-
5 imum insurance levels to maintain safety. According
6 to the House Report No. 96–1069, “the action of
7 the Committee in increasing financial responsibility
8 is to encourage the carriers to engage in practices
9 and procedures that will enhance the safety of their
10 equipment so as to afford the best protection to the
11 public.”.

12 (2) The National Transportation Policy Study
13 Commission (which consisted of six Members of the
14 Senate, six Members of the House of Representa-
15 tives, and seven public members appointed by the
16 President) recommended mandatory minimum insur-
17 ance requirements of \$1,000,000, in its 1979 Final
18 Report to the Congress, National Transportation
19 Policies through the Year 2000. The Report stated:
20 “As an example, all certificated motor carriers oper-
21 ating upon the highways should be obligated to carry
22 adequate insurance (or proof of financial responsi-
23 bility equal to such insurance) to protect the public.
24 The insurance should cover public liability, property,
25 damage, cargo and environmental restoration with a
26 \$1 million for single occurrence, or another min-

1 imum amount sufficient to require periodic ‘on site’
2 inspection by the insurance company, with the min-
3 imum to be updated regularly. Non-certificated
4 motor carriers should be subject to similar stand-
5 ards.”.

6 (3) According to the U.S. Bureau of Labor Sta-
7 tistics, the amount of \$750,000, set in 1980 (the
8 year of enactment), would have the same purchasing
9 power as \$5,193,665.62 in 2020, if the amount was
10 raised to account for medical-cost inflation.

11 **SEC. 3. MINIMUM FINANCIAL RESPONSIBILITY FOR TRANS-**
12 **PORTING PROPERTY.**

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

15 (1) in paragraph (2), by striking “\$750,000”
16 and inserting “\$5,000,000”; and

17 (2) by adding at the end the following:

18 “(3) ADJUSTMENT.—The Secretary, in con-
19 sultation with the Bureau of Labor Statistics, shall
20 adjust the minimum level of financial responsibility
21 under paragraph (2) quinquennially for inflation re-
22 lating to medical care.”.

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

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