

Don't Let Higher Insurance Mandates Pull Safe, Small Business Truck & Bus Companies Off the Road

Support the Daines/Graves Amendment to THUD

Dear Representative:

Our associations represent tens of thousands of individual truck and bus companies, many of which are small businesses, and their professional drivers. Small businesses make up the majority of the companies in these industries. They serve important roles for the nation's economy, transporting goods, people and schoolchildren, while also providing family-supporting incomes in big cities and small towns in every Congressional district.

Importantly, our members do it safely, with professional drivers who on average have operated millions of miles without accidents. Unfortunately, these safe, professional, drivers and commercial motor vehicle companies are facing the prospects of a policy change from the Federal Motor Carrier Safety Administration that **could put as many as 40% of them at risk of going out of business.**

This spring, the FMCSA announced that it was moving forward with a regulation to increase the minimum insurance requirements for truck and bus companies. The groups who are pushing FMCSA towards this policy have come out in support of as high as **a 500% increase in these requirements.** For trucks, premiums would skyrocket by more than \$10,000 for each vehicle – premiums that must be paid before they can earn a dime. For buses, the increase could result in premiums that are as much as 60% higher, calling into question the availability of efficient, clean, environmentally friendly and safe transportation by motorcoach or school bus. The higher premiums will impact single truck and bus owners the most, where higher operating costs lead to less take-home pay. Increases of this magnitude are unaffordable, and will simply force many out of the industry altogether.

Making matters worse, an increase is not backed up by data. FMCSA's own study shows that less than 0.2% of truck-involved accidents result in damages that exceed current coverage requirements. The study did not include any data for passenger carriers, nor did it include any data about the impact of increases on the insurance industry itself. No study has shown that higher insurance requirements will result in improved safety performance of a motor carrier.

Given the negative impacts that higher insurance requirements would have on our businesses – with no resulting increase in safety – we urge you to support the Daines/Graves Amendment. This Amendment would prevent FMCSA from moving forward with any regulations that would increase minimum insurance requirements during the 2015 Fiscal Year.

If you have any questions, please contact Ryan Bowley with OOIDA at ryan.bowley@ooida.com, Becky Weber with UMA/NSTA at becky.weber@prime-policy.com, or Clyde Hart with ABA at chart@buses.org.

Thank you for your consideration,

Owner-Operator Independent Drivers Association
National School Transportation Association

United Motorcoach Association
American Bus Association