

**§ 13903. Registration of freight forwarders**

(a) IN GENERAL.—The Secretary shall register a person to provide service subject to jurisdiction under subchapter III of chapter 135 as a freight forwarder if the Secretary finds that the person is fit, willing, and able to provide the service and to comply with this part and applicable regulations of the Secretary and the Board.

(b) REGISTRATION AS CARRIER REQUIRED.—The freight forwarder may provide transportation as the carrier itself only if the freight forwarder also has registered to provide transportation as a carrier under this chapter.

(Added Pub. L. 104-88, title I, §103, Dec. 29, 1995, 109 Stat. 884; amended Pub. L. 109-59, title IV, §4142(b), Aug. 10, 2005, 119 Stat. 1747; Pub. L. 110-244, title III, §305(d), June 6, 2008, 122 Stat. 1620.)

## PRIOR PROVISIONS

Provisions similar to those in this section were contained in section 10923 of this title prior to the general amendment of this subtitle by Pub. L. 104-88, §102(a).

## AMENDMENTS

2008—Subsec. (a). Pub. L. 110-244 amended subsec. (a) generally. Prior to amendment, text read as follows:

“(1) HOUSEHOLD GOODS.—The Secretary shall register a person to provide service subject to jurisdiction under subchapter III of chapter 135 as a freight forwarder of household goods if the Secretary finds that the person is fit, willing, and able to provide the service and to comply with this part and applicable regulations of the Secretary and the Board.

“(2) OTHERS.—The Secretary may register a person to provide service subject to jurisdiction under subchapter III of chapter 135 as a freight forwarder (other than a freight forwarder of household goods) if the Secretary finds that such registration is needed for the protection of shippers and that the person is fit, willing, and able to provide the service and to comply with this part and applicable regulations of the Secretary and Board.”

2005—Subsec. (a). Pub. L. 109-59 designated existing provisions as par. (1) and inserted heading, inserted “of household goods” after “freight forwarder”, and added par. (2).

**§ 13904. Registration of brokers**

(a) IN GENERAL.—The Secretary shall register, subject to section 13906(b), a person to be a broker for transportation of property subject to jurisdiction under subchapter I of chapter 135, if the Secretary finds that the person is fit, willing, and able to be a broker for transportation and to comply with this part and applicable regulations of the Secretary.

(b) REGISTRATION AS CARRIER REQUIRED.—

(1) IN GENERAL.—The broker may provide the transportation itself only if the broker also has been registered to provide the transportation as a motor carrier under this chapter.

(2) LIMITATION.—This subsection does not apply to a motor carrier registered under this chapter or to an employee or agent of the motor carrier to the extent the transportation is to be provided entirely by the motor carrier, with other registered motor carriers, or with rail or water carriers.

(c) REGULATIONS TO PROTECT SHIPPERS.—Regulations of the Secretary applicable to brokers registered under this section shall provide for the protection of shippers by motor vehicle.

(d) BOND AND INSURANCE.—The Secretary may impose on brokers for motor carriers of passengers such requirements for bonds or insurance or both as the Secretary determines are needed to protect passengers and carriers dealing with such brokers.

(Added Pub. L. 104-88, title I, §103, Dec. 29, 1995, 109 Stat. 884; amended Pub. L. 109-59, title IV, §4142(c), Aug. 10, 2005, 119 Stat. 1747; Pub. L. 110-244, title III, §305(e), June 6, 2008, 122 Stat. 1620.)

## PRIOR PROVISIONS

Provisions similar to those in this section were contained in section 10924 of this title prior to the general amendment of this subtitle by Pub. L. 104-88, §102(a).

## AMENDMENTS

2008—Subsec. (a). Pub. L. 110-244 amended subsec. (a) generally. Prior to amendment, text read as follows:

“(1) HOUSEHOLD GOODS.—The Secretary shall register, subject to section 13906(b), a person to be a broker of household goods for transportation of property subject to jurisdiction under subchapter I of chapter 135, if the Secretary finds that the person is fit, willing, and able to be a broker of household goods for transportation and to comply with this part and applicable regulations of the Secretary.

“(2) OTHERS.—The Secretary may register a person to provide service subject to jurisdiction under subchapter III of chapter 135 as a broker (other than a broker of household goods) if the Secretary finds that such registration is needed for the protection of shippers and that the person is fit, willing, and able to provide the service and to comply with this part and applicable regulations of the Secretary and Board.”

2005—Subsec. (a). Pub. L. 109-59, §4142(c)(1), (3), designated existing provisions as par. (1), inserted heading, and added par. (2).

Subsec. (a)(1). Pub. L. 109-59, §4142(c)(2), which directed amendment of par. (1) by inserting “of household goods” after “broker”, was executed by making the insertion in two places to reflect the probable intent of Congress.

**§ 13905. Effective periods of registration**

(a) PERSON HOLDING ICC AUTHORITY.—Any person having authority to provide transportation or service as a motor carrier, freight forwarder, or broker under this title, as in effect on December 31, 1995, shall be deemed, for purposes of this part, to be registered to provide such transportation or service under this part.

(b) PERSON REGISTERED WITH SECRETARY.—

(1) IN GENERAL.—Except as provided in paragraph (2), any person having registered with the Secretary to provide transportation or service as a motor carrier or motor private carrier under this title, as in effect on January 1, 2005, but not having registered pursuant to section 13902(a), shall be treated, for purposes of this part, to be registered to provide such transportation or service for purposes of sections 13908 and 14504a.

(2) EXCLUSIVELY INTRASTATE OPERATORS.—Paragraph (1) does not apply to a motor carrier or motor private carrier (including a transporter of waste or recyclable materials) engaged exclusively in intrastate transportation operations.

(c) IN GENERAL.—Except as otherwise provided in this part, each registration issued under section 13902, 13903, or 13904 shall be effective from

the date specified by the Secretary and shall remain in effect for such period as the Secretary determines appropriate by regulation.

(d) **SUSPENSION, AMENDMENTS, AND REVOCATIONS.**—

(1) **IN GENERAL.**—On application of the registrant, the Secretary may amend or revoke a registration. On complaint or on the Secretary's own initiative and after notice and an opportunity for a proceeding, the Secretary may (A) suspend, amend, or revoke any part of the registration of a motor carrier, broker, or freight forwarder for willful failure to comply with this part, an applicable regulation or order of the Secretary or of the Board (including the accessibility requirements established by the Secretary under subpart H of part 37 of title 49, Code of Federal Regulations, or such successor regulations to those accessibility requirements as the Secretary may issue, for transportation provided by an over-the-road bus), or a condition of its registration; and (B) suspend, amend, or revoke any part of the registration of a motor carrier, broker, or freight forwarder: (i) for failure to pay a civil penalty imposed under chapter 5, 51, 149, or 311 of this title; or (ii) for failure to arrange and abide by an acceptable payment plan for such civil penalty, within 90 days of the time specified by order of the Secretary for the payment of such penalty. Subparagraph (B) shall not apply to any person who is unable to pay a civil penalty because such person is a debtor in a case under chapter 11 of title 11, United States Code.

(2) **REGULATIONS.**—Not later than 12 months after the date of the enactment of this paragraph, the Secretary, after notice and opportunity for public comment, shall issue regulations to provide for the suspension, amendment, or revocation of a registration under this part for failure to pay a civil penalty as provided in paragraph (1)(B).

(e) **PROCEDURE.**—Except on application of the registrant, the Secretary may revoke a registration of a motor carrier, freight forwarder, or broker, only after—

(1) the Secretary has issued an order to the registrant under section 14701 requiring compliance with this part, a regulation of the Secretary, or a condition of the registration; and

(2) the registrant willfully does not comply with the order for a period of 30 days.

(f) **EXPEDITED PROCEDURE.**—

(1) **PROTECTION OF SAFETY.**—Notwithstanding subchapter II of chapter 5 of title 5, the Secretary—

(A) may suspend the registration of a motor carrier, a freight forwarder, or a broker for failure to comply with requirements of the Secretary pursuant to section 13904(c) or 13906 or an order or regulation of the Secretary prescribed under those sections; and

(B) shall revoke the registration of a motor carrier that has been prohibited from operating in interstate commerce for failure to comply with the safety fitness requirements of section 31144.

(2) **IMMINENT HAZARD TO PUBLIC HEALTH.**—Without regard to subchapter II of chapter 5 of

title 5, the Secretary shall revoke the registration of a motor carrier of passengers if the Secretary finds that such carrier has been conducting unsafe operations which are an imminent hazard to public health or property.

(3) **NOTICE; PERIOD OF SUSPENSION.**—The Secretary may suspend or revoke under this subsection the registration only after giving notice of the suspension or revocation to the registrant. A suspension remains in effect until the registrant complies with the applicable sections or, in the case of a suspension under paragraph (2), until the Secretary revokes the suspension.

(Added Pub. L. 104-88, title I, §103, Dec. 29, 1995, 109 Stat. 884; amended Pub. L. 104-287, §5(33), Oct. 11, 1996, 110 Stat. 3392; Pub. L. 105-102, §2(10), Nov. 20, 1997, 111 Stat. 2204; Pub. L. 106-159, title II, §206(a), Dec. 9, 1999, 113 Stat. 1763; Pub. L. 109-59, title IV, §§4104, 4303(a), Aug. 10, 2005, 119 Stat. 1716, 1761; Pub. L. 110-291, §2(b), July 30, 2008, 122 Stat. 2915.)

#### HISTORICAL AND REVISION NOTES

PUB. L. 104-287

This amends 49:13905(a) for clarity and consistency.

PUB. L. 105-102

This amends 49:13905(e)(1) to correct a grammatical error.

#### REFERENCES IN TEXT

The date of the enactment of this paragraph, referred to in subsec. (d)(2), is the date of enactment of Pub. L. 106-159, which was approved Dec. 9, 1999.

#### PRIOR PROVISIONS

Provisions similar to those in this section were contained in section 10925 of this title prior to the general amendment of this subtitle by Pub. L. 104-88, §102(a).

#### AMENDMENTS

2008—Subsec. (d)(1)(A). Pub. L. 110-291 inserted “(including the accessibility requirements established by the Secretary under subpart H of part 37 of title 49, Code of Federal Regulations, or such successor regulations to those accessibility requirements as the Secretary may issue, for transportation provided by an over-the-road bus)” after “Board”.

2005—Subsecs. (b) to (d). Pub. L. 109-59, §4303(a), added subsec. (b) and redesignated former subsecs. (b) and (c) as (c) and (d), respectively. Former subsec. (d) redesignated (e).

Subsec. (e). Pub. L. 109-59, §4303(a)(1), redesignated subsec. (d) as (e). Former subsec. (e) redesignated (f).

Subsec. (e)(1). Pub. L. 109-59, §4104(1), added par. (1) and struck out heading and text of former par. (1). Text read as follows: “Without regard to subchapter II of chapter 5 of title 5, the Secretary may suspend the registration of a motor carrier, a freight forwarder, or a broker for failure to comply with safety requirements of the Secretary or the safety fitness requirements pursuant to section 13904(c), 13906, or 31144 of this title, or an order or regulation of the Secretary prescribed under those sections.”

Subsec. (e)(2). Pub. L. 109-59, §4104(2), substituted “shall revoke the registration” for “may suspend a registration”.

Subsec. (e)(3). Pub. L. 109-59, §4104(3), added par. (3) and struck out heading and text of former par. (3). Text read as follows: “The Secretary may suspend under this subsection the registration only after giving notice of the suspension to the registrant. The suspension remains in effect until the registrant complies with those applicable sections or, in the case of a suspension under

paragraph (2), until the Secretary revokes such suspension.”

Subsec. (f). Pub. L. 109-59, § 4303(a)(1), redesignated subsec. (e) as (f).

1999—Subsec. (c). Pub. L. 106-159 inserted par. (1) designation and heading, inserted “(A)” before “suspend”, added cl. (B), realigned par. (1) margins, and added par. (2).

1997—Subsec. (e)(1). Pub. L. 105-102 struck out comma after “31144”.

1996—Subsec. (a). Pub. L. 104-287 substituted “December 31, 1995” for “the day before the effective date of this section”.

#### RELATIONSHIP TO OTHER LAWS

Except as provided in sections 14504, 14504a, and 14506 of this title, subtitle C (§§ 4301-4308) of title IV of Pub. L. 109-59 is not intended to prohibit any State or any political subdivision of any State from enacting, imposing, or enforcing any law or regulation with respect to a motor carrier, motor private carrier, broker, freight forwarder, or leasing company that is not otherwise prohibited by law, see section 4302 of Pub. L. 109-59, set out as a note under section 13902 of this title.

### § 13906. Security of motor carriers, motor private carriers, brokers, and freight forwarders

#### (a) MOTOR CARRIER REQUIREMENTS.—

(1) LIABILITY INSURANCE REQUIREMENT.—The Secretary may register a motor carrier under section 13902 only if the registrant files with the Secretary a bond, insurance policy, or other type of security approved by the Secretary, in an amount not less than such amount as the Secretary prescribes pursuant to, or as is required by, sections 31138 and 31139, and the laws of the State or States in which the registrant is operating, to the extent applicable. The security must be sufficient to pay, not more than the amount of the security, for each final judgment against the registrant for bodily injury to, or death of, an individual resulting from the negligent operation, maintenance, or use of motor vehicles, or for loss or damage to property (except property referred to in paragraph (3)<sup>1</sup> of this subsection), or both. A registration remains in effect only as long as the registrant continues to satisfy the security requirements of this paragraph.

(2) SECURITY REQUIREMENT.—Not later than 120 days after the date of enactment of the Unified Carrier Registration Act of 2005, any person, other than a motor private carrier, registered with the Secretary to provide transportation or service as a motor carrier under section 13905(b) shall file with the Secretary a bond, insurance policy, or other type of security approved by the Secretary, in an amount not less than required by sections 31138 and 31139.

(3) AGENCY REQUIREMENT.—A motor carrier shall comply with the requirements of sections 13303 and 13304. To protect the public, the Secretary may require any such motor carrier to file the type of security that a motor carrier is required to file under paragraph (1) of this subsection. This paragraph only applies to a foreign motor private carrier and foreign motor carrier operating in the United States to the extent that such carrier is providing

transportation between places in a foreign country or between a place in one foreign country and a place in another foreign country.

(4) TRANSPORTATION INSURANCE.—The Secretary may require a registered motor carrier to file with the Secretary a type of security sufficient to pay a shipper or consignee for damage to property of the shipper or consignee placed in the possession of the motor carrier as the result of transportation provided under this part. A carrier required by law to pay a shipper or consignee for loss, damage, or default for which a connecting motor carrier is responsible is subrogated, to the extent of the amount paid, to the rights of the shipper or consignee under any such security.

(b) BROKER REQUIREMENTS.—The Secretary may register a person as a broker under section 13904 only if the person files with the Secretary a bond, insurance policy, or other type of security approved by the Secretary to ensure that the transportation for which a broker arranges is provided. The registration remains in effect only as long as the broker continues to satisfy the security requirements of this subsection.

#### (c) FREIGHT FORWARDER REQUIREMENTS.—

(1) LIABILITY INSURANCE.—The Secretary may register a person as a freight forwarder under section 13903 of this title only if the person files with the Secretary a bond, insurance policy, or other type of security approved by the Secretary. The security must be sufficient to pay, not more than the amount of the security, for each final judgment against the freight forwarder for bodily injury to, or death of, an individual, or loss of, or damage to, property (other than property referred to in paragraph (2) of this subsection), resulting from the negligent operation, maintenance, or use of motor vehicles by or under the direction and control of the freight forwarder when providing transfer, collection, or delivery service under this part.

(2) FREIGHT FORWARDER INSURANCE.—The Secretary may require a registered freight forwarder to file with the Secretary a bond, insurance policy, or other type of security approved by the Secretary sufficient to pay, not more than the amount of the security, for loss of, or damage to, property for which the freight forwarder provides service.

(3) EFFECTIVE PERIOD.—The freight forwarder's registration remains in effect only as long as the freight forwarder continues to satisfy the security requirements of this subsection.

(d) TYPE OF INSURANCE.—The Secretary may determine the type and amount of security filed under this section. A motor carrier may submit proof of qualifications as a self-insurer to satisfy the security requirements of this section. The Secretary shall adopt regulations governing the standards for approval as a self-insurer. Motor carriers which have been granted authority to self-insure as of January 1, 1996, shall retain that authority unless, for good cause shown and after notice and an opportunity for a hearing, the Secretary finds that the authority must be revoked.

<sup>1</sup> See References in Text note below.