Part 387

Minimum Levels of Financial Responsibility for Motor Carriers

Interstate and Intrastate Commerce

Part 387
Minimum Levels of Financial Responsibility for Motor Carriers
(Interstate and Intrastate Commerce)

Financial responsibility means having insurance policies or surety bonds sufficient to satisfy the minimum public liability requirements. Public liability means liability for bodily injury, property damage, and environmental restoration. Environmental restoration means restitution for the loss, damage, or destruction of natural resources arising out of an accidental discharge of toxic or other environmentally harmful materials or liquids.

Requirements for Financial Responsibility

Motor carriers of property operating commercial motor vehicles in interstate, foreign, or intrastate commerce, and for-hire carriers of passengers operating in interstate or foreign commerce must have at least the minimum amount of insurance required by law.

(See the Schedule of Limits in this folder for minimum levels of financial responsibility).

Proof

The motor carrier must have proof of the minimum level of insurance at the company's principal place of business.

Proof may be shown by any of the following:

- Endorsements for Motor Carriers policies of insurance for public liability under Sections 29 and 30 of the Motor Carrier Act of 1980 (Form MCS-90) issued by an insurer
- Endorsements for Motor Carriers of Passengers policies of insurance for public liability under Section 18 of the Bus Regulatory Reform Act of 1982 (Form MCS-90B) issued by an insurer
- A Motor Carrier Surety Bond for public liability under Section 30 of the Motor Carrier Act of 1980 (Form MCS-82) issued by a surety
- A Motor Carriers of Passengers Surety Bond for public liability under Section 18 of the Bus Regulatory Reform Act of 1982 (Form MCS-82B) is sued by a surety
- A written decision, order, or authorization of the Federal Motor Carrier Safety Administration authorizing the motor carrier to self-insure under 49 CFR 1043.5

ENDORSEMENT FOR
MOTOR CARRIER POLICIES OF INSURANCE FOR PUBLIC LIABILITY
UNDER SECTIONS 29 AND 30 OF THE MOTOR CARRIER ACT OF 1980

Issued to _____of _____

Dated at _____this _____day of _____, 20 _____

Amending Policy No._____ Effective Date _____

Name of Insurance Company _____

Countersigned by _____
Authorized Company Representative

The policy to which this endorsement is attached provides primary or excess insurance, as indicated by "[X]," for the limits shown:

[ ] This insurance is primary and the company shall not be liable for amounts in excess of $$_____for each accident.

[ ] This insurance is excess and the company shall not be liable for amounts in excess of $$_____for each accident in excess of the underlying limit of $_____for each accident.

Whenever required by the Federal Motor Carrier Safety Administration (FMCSA), the company agrees to furnish the FMCSA a duplicate of said policy and all its endorsements. The company also agrees, upon telephone request by an authorized representative of the FMCSA, to verify that the policy is in force as of a particular date. The telephone number to call is: _____.

Cancellation of this endorsement may be effected by the company of the insured by giving (1) thirty-five (35) days notice in writing to the other party (said 35 days notice to commence from the date the notice is mailed, proof of mailing shall be sufficient proof of notice), and (2) if the insured is subject to the FMCSA 's registration requirements under 49 U.S.C.13901, by providing thirty (30) days notice to the FMCSA (said 30 days notice to commence from the date the notice is received by the FMCSA at its office in Washington, D.C.).

DEFINITIONS AS USED IN THIS ENDORSEMENT

Accident includes continuous or repeated exposure to conditions or which results in bodily injury, property damage, or environmental damage, which the insured neither expected nor intended.

Motor Vehicle means a land vehicle, machine, truck, tractor, trailer, or semi-trailer propelled or drawn by mechanical power and used on a highway for transporting property, or any combination thereof.

Bodily Injury means injury to the body, sickness, or disease to any person, including death resulting from any of these.

Property Damage means damage to or loss of use of tangible property.

Environmental Restoration means restitution for the loss, damage, or destruction of natural resources arising out of the accidental discharge, dispersal, release or escape into or upon the and, atmosphere, watercourse, or body of water, of any commodity transported by a motor carrier. This shall include the cost of removal and the cost of necessary measures taken to minimize or mitigate damage to human health, the natural environment, fish, shellfish, and wildlife.

Public Liability means liability for bodily injury, property damage, and environmental restoration

The insurance policy to which this endorsement is attached provides automobile liability insurance and is amended to assure compliance by the insured, within the limits stated herein, as a motor carrier of property, with Sections 29 and 30 of the Motor Carrier Act of 1980 and the rules and regulations of the Federal Motor Carrier Safety Administration (FMCSA).

In consideration of the premium stated in the policy to which this endorsement is attached, the insurer (the company) agrees to pay, within the limits of liability described herein, any final judgment recovered against the insured for public liability resulting from negligence in the operation, maintenance or use of motor vehicles subject to the financial responsibility requirements of Sections 29 and 30 of the Motor Carrier Act of 1980 regardless of whether or not each motor vehicle is specifically described in the policy and whether or not such negligence occurs on any route or in any territory authorized to be served by the insured or elsewhere. Such insurance as is afforded, for public liability, does not apply to injury to or death of the insured's employees while engaged in the course of their employment, or property transported by the insured, designated as cargo. It is understood and agreed that no condition, provision, stipulation, or limitation contained in the policy, this endorsement, or any other endorsement thereon, or violation thereof, shall relieve the company from liability or from the payment of any final judgment, within the limits of liability herein described, irrespective of the financial condition, insolvency or bankruptcy of the insured. However, all terms, conditions, and limitations in the policy to which the endorsement is attached shall remain in full force and effect as binding between the insured and the company. The insured agrees to reimburse the company for any payment made by the company on account of any accident, claim, or suit involving a breach of the terms of the policy, and for any payment that the company would not have been obligated to make under the provisions of the policy except for the agreement contained in this endorsement.

It is further understood and agreed that, upon failure of the company to pay any final judgment recovered against the insured as provided herein, the judgment creditor may maintain an action in any court of competent jurisdiction against the company to compel such payment.

The limits of the company's liability for the amounts prescribed in this endorsement apply separately to each accident and any payment under the policy because of any one accident shall not operate to reduce the liability of the company for the payment of final judgments resulting from any other accident.

THE SCHEDULE OF LIMITS SHOWN ON THE REVERSE SIDE DOES NOT PROVIDE COVERAGE. The limits shown in the schedule are for information purposes only.
Form MCS-90 (4/2000)

Schedule of Limits - Public Liability

Type of carriage	Commodity transported	Jan. 1, 1985
(1)For-hire (In interstate or foreign commerce, with a gross vehicle weight rating of 10,000 or more pounds).	Property (nonhazardous).....	$750,000
(2)For-hire and Private (In interstate, foreign, or intrastate commerce, with a gross vehicle weight rating of 10,000 or more pounds).	Hazardous substances, as defined in 49 CFR 171.8,transported in cargo tanks, portable tanks, or hopper-type vehicles with capacities in excess of 3,500 water gallons; or in bulk Division 1.1,1.2, and 1.3 materials, Division 2.3,Hazard Zone A, or Division 6.1,Packing Group I, Hazard Zone A material; in bulk Division 2.1 or 2.2;or highway route controlled quantities of a Class 7 material, as defined in 49 CFR 173.403	$5,000,000
(3)For-hire and Private (In interstate or foreign commerce, in any quantity; or in intrastate commerce, in bulk only; with a gross vehicle weight rating of 10,000 or more pounds). * (See Note)	Oil listed in 49 CFR 172.101;hazardous waste, hazardous materials, and hazardous substances defined in 49 CFR 171.8 and listed in 49 CFR 172.101,but not mentioned in (2)above or (4) below.	$1,000,000
(4)For-hire and Private (In interstate or foreign commerce,with a gross vehicle weight rating of less than 10,000 pounds).	Any quantity of Division 1.1,1.2,or 1.3 material; any quantity of a Division 2.3,Hazard Zone A,or Division 6.1,Packing Group I,Hazard Zone A material; or highway route controlled quantities of a Class 7 material as defined in 49 CFR 173.403.	$5,000,000
(5) For-hire motor carriers of passengers operating in interstate or foreign commerce	Any vehicle with a seating capacity of 16 passengers or more.	$5,000,000
	Any vehicle with a seating capacity of 15 passengers or less.[1]	$1,500,000

DEFINITION:

In bulk – the transportation, as cargo, of property, except Division 1.1, 1.2, or 1.3 materials, and division 2.3, Hazard Zone A gases, in containment systems with capacities in excess of 3,500 water gallons.

In bulk (Division 1.1, 1.2, and 1.3 explosives) – the transportation, as cargo, of any Division 1.1, 1.2, or 1.3 materials in any quantity.

In bulk (Division 2.3, Hazard Zone A or division 6.1, Packing Group I, Hazard Zone A materials) – the transportation, as cargo, of any Division 2.3, Hazard Zone A, or Division 6.1, Packing Group I, Hazard Zone A material, in any quantity.

Note: Unless hauling bulk hazardous material, this applies to For-hire and Private (In interstate or foreign commerce); or For-hire intrastate commerce, and does not apply to Private intrastate commerce.

- Tow trucks with a GVWR or GCWR of 10,000 pounds or more performing emergency moves in interstate or foreign commerce are required to maintain minimum levels of financial responsibility in the amount of $750,000. Tow trucks performing secondary moves are required to maintain levels of coverage applicable to the commodity being transported by the vehicle being towed.
- Vehicles being transported by motor vehicle are subject only to 49 CFR 173.220 of the HMRs, they meet the definition of "Hazardous material" in 49 CFR 171.8 because "Vehicle, flammable gas powered" and "Vehicle, flammable liquid powered" (this includes diesel fuel) are designated as hazardous in 49 CFR 172.101 [UN 3166]. For that reason, vehicles transporting other vehicles would have to carry $1,000,000 of public liability insurance.
    - Examples may include, but are not limited to: backhoe, motorcycles, self-propelled lawn mowers, tractors, bobcats, auto-haulers, etc.

[1]Except as provided in 387.27(b).

Bodily Injury and Property Damage Liability (BIPD)

Proof of BIPD insurance must be on file with Motor Carrier Services Division before the motor carrier can transport property or passengers within the borders of this state, unless exempted under RSMo 390.030. The insurance form that must be on file is one of the following:

Intrastate Operations

1. **Form E**, Uniform Motor Carrier Bodily Injury and Property Damage Liability Certificate of Insurance (intrastate household goods carriers must also file a Form H, Uniform Motor Carrier Cargo Certificate of Insurance):
2. **Form G**, Uniform Motor Carrier Bodily Injury and Property Damage Surety Bond; or
3. **An application to self-insure** on the prescribed application form.

The minimum levels of BIPD liability insurance are listed below:

4. Intrastate-Passenger Service

Twelve (12) passenger or less capacity, $100,000 for injury or death of one (1) person; $300,000 for any (1) accident; $50,000 property damage for any one (1) accident.

More than twelve (12) passenger capacity, $100,000 for injury or death of one (1) person; $500,000 for any one (1) accident; $50,000 property damage for any one (1) accident.

5. Intrastate Property-Nonhazardous

$100,000 for injury or death of one (1) person; $300,000 for any one (1) accident; $50,000 property damage for any one (1) accident.

6. Intrastate Property-Hazardous $5,000,000*

Hazardous substance, as defined in 49 CFR 171.8 transported in cargo tanks or hopper-type vehicles with capacities in excess of 3,500 water gallons; any quantity of Class 1.1, 1.2, or 1.3 explosives; any quantity of Class 2.3 Hazard Zone A; any quantity of Class 6.1, Packing Group I, Hazard Zone A; Class 7 radioactive materials in highway route controlled quantities as defined in 49 CFR 173.455; and Class 2.1 and 2.2 gases in tanks with capacities in excess of 3,500 water gallons.

7. Intrastate Property-Hazardous $1,000,000*

Oil listed in 49 CFR 172.101; hazardous waste, hazardous materials and hazardous substances defined in 49 CFR 171.8 and listed in 49 CFR 171.101, but not mentioned in 4 or 6.

Cargo Insurance (Intrastate Household Goods Operations Only)

Proof of cargo insurance must be on file to transport household goods within the borders of this state. The insurance form must be one of the following:

1. Form H, Uniform Motor Carrier Cargo Certificate of Insurance; or
2. Form J, Uniform Motor Carrier Cargo Surety Bond.

The minimum level of cargo insurance is as follows:

Loss of damage to property carried on any one (1) motor vehicle - $2,500; and

Loss or damage to or aggregate of losses or damages of or to property occurring at any one (1) time and place - $5,000.

*This limit applies only to vehicles within a gross vehicle weight rating of 10,000 lbs or more.

Financial Responsibility for Missouri Oversize Overweight Permit

An applicant must submit proof of insurance meeting the required minimum amount before a permit can be issued. The applicant must have on file with the Missouri Department of Transportation, Motor Carrier Services Division an approved certificate of liability insurance specifically showing coverage of amounts not less than the following:

Schedule of Minimum Limits of Combined Single Limit Automobile Liability:

Type of Move	*Amount*
1) Routine	$750,000
2) Super Heavy and Large Loads	$2,000,000
3) Noncommercial Building (House) Movement	$2,000,000

Insurance for all permit operation shall be in force for the duration of the permit period. Travel under permit must be with properly licensed, insured and permitted vehicles and must be licensed for maximum weights in order to obtain overweight permits. For specific information relating to these regulations, please review the Missouri Revised Statutes, Chapters 260, 301 through 307, 390 and 622.

If there are any questions concerning these requirements, please contact the Motor Carrier Services Division, Compliance Communication Center at (573) 751-7100 or (800) 877-8499.