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The FMCSA Report Gets It Backwards

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A new federal report on trucking insurance is being misread — and the misreading could cost your clients everything.

In January 2026, FMCSA released its latest quadrennial report on minimum financial responsibility requirements for motor carriers. Transportation media immediately characterized it as a mandate for higher insurance minimums. That reading is wrong – and dangerous.

The report actually says the FMCSA lacks the data to support any such conclusion. The agency's own words: its ability to provide "a thorough assessment" is "limited" because settlements are confidential and insurance data is proprietary.

Why It Matters

The plaintiff bar will use this report as a crowbar. Expect to see it cited in legislative testimony and social media campaigns pushing for higher minimum insurance requirements.

Higher minimums don't fix the problem. They expand the target.

Insurance premiums already hit a record $0.102/mile in 2024 – on top of a 47% increase from 2010 to 2020. Carriers are absorbing mounting deductibles and retentions on top of that. Every incremental dollar of new mandatory coverage becomes a new anchor number for plaintiff attorneys.

The Details

What the report actually found:

- Current minimums of $750,000 (general freight) and $1 million (most hazmat) have been in place since 1985
- A 2013 Volpe Institute study found less than 1% of all CMV crashes exceed those minimums even todayeven today
- A 2013 ATA study found only a 0.73% chance of any claim exceeding $1 million
- ATRI data shows verdicts over $1 million increased 235% between the periods of 2005 to 2011 (79 $1 million=plus verdicts) and 2012 to 2019 (265 $1 million-plus verdicts)

The real problem isn't coverage levels. It's the litigation environment:

- "Limited time limits demands" that force rapid, excessive settlement decisions leveraged by the potential excess verdict
- Venue shopping that drags cases into Judicial Hellholes® with no connection to the accident
- Phantom damages based on billed – not paid – medical amounts
- Anchoring tactics that plant massive numbers in jurors' minds before evidence is heard
- Expert witnesses offering opinions untethered from science or data

What to Watch

FMCSA cannot initiate a rulemaking to raise property carrier minimums without first considering the FAST Act factors – including industry impact and insurance capacity. That's a meaningful legal constraint. Watch for legislative end-runs that attempt to bypass the rulemaking process entirely.

The defense: Document everything. Build the data record now. Your best tool against misreading this report is the report itself.

The Bottom Line

The FMCSA report indicts a broken system of "justice" and supports the need for meaningful reform. True reform. Don't raise the limits. Lower the liability.

If you would like to talk about the report and what it really means for the trucking industry, please contact me at any time. You can also follow me on LinkedIn for daily defense intelligence or subscribe to the TransportCenter Substack for full analysis of the report and its repercussions.

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