

(7) *Payment of claims in cases of financial failure or insolvency.*—If a freight forwarder registered under this chapter experiences financial failure or insolvency, the surety provider of the freight forwarder shall—

(A) submit a notice to cancel the financial security to the Administrator in accordance with paragraph (5);

(B) publicly advertise for claims for 60 days beginning on the date of publication by the Secretary of the notice to cancel the financial security; and

(C) pay, not later than 30 days after the expiration of the 60-day period for submission of claims—

(i) all uncontested claims received during such period; or

(ii) a pro rata share of such claims if the total amount of such claims exceeds the financial security available.

(8) *Penalties.*—

(A) *Civil actions.*—Either the Secretary or the Attorney General may bring a civil action in an appropriate district court of the United States to enforce the requirements of this subsection or a regulation prescribed or order issued under this subsection. The court may award appropriate relief, including injunctive relief.

(B) *Civil penalties.*—If the Secretary determines, after notice and opportunity for a hearing, that a surety provider of a freight forwarder registered under this chapter has violated the requirements of this subsection or a regulation prescribed under this subsection, the surety provider shall be liable to the United States for a civil penalty in an amount not to exceed \$10,000.

(C) *Eligibility.*—If the Secretary determines, after notice and opportunity for a hearing, that a surety provider of a freight forwarder registered under this chapter has violated the requirements of this subsection or a regulation prescribed under this subsection, the surety provider shall be ineligible to provide freight forwarder financial security for 3 years

(9) *Deduction of costs prohibited.*—The amount of the financial security required under this subsection may not be reduced by deducting attorney's fees or administrative costs.

See 2012 Amendment note below.

REFERENCES IN TEXT

Paragraph (3) of this subsection, referred to in subsec. (a)(1), was redesignated as paragraph (4) of subsec. (a) of this section by Pub. L. 109-59, title IV, § 4303(b)(1), Aug. 10, 2005, 119 Stat. 1762.

The date of enactment of the Unified Carrier Registration Act of 2005, referred to in subsec. (a)(2), is the date of enactment of subtitle C of title IV of Pub. L. 109-59, which was approved Aug. 10, 2005.

PRIOR PROVISIONS

Provisions similar to those in this section were contained in section 10927 of this title prior to the general amendment of this subtitle by Pub. L. 104-88, § 102(a).

AMENDMENTS

2012—Subsecs. (b), (c). Pub. L. 112-141 added subsecs. (b) and (c) and struck out former subsecs. (b) and (c) which related to broker requirements and freight forwarder requirements, respectively.

2005—Pub. L. 109-59, § 4303(d)(1), inserted “motor private carriers,” after “motor carriers,” in section catchline.

Subsec. (a)(2) to (4). Pub. L. 109-59, § 4303(b), added par. (2) and redesignated former pars. (2) and (3) as (3) and (4), respectively.

1996—Subsec. (d). Pub. L. 104-287 substituted “January 1, 1996,” for “the effective date of this section”.

EFFECTIVE DATE OF 2012 AMENDMENT

Pub. L. 112-141, div. C, title II, § 32918(c), July 6, 2012, 126 Stat. 826, provided that: “The amendments made by subsection (a) [amending this section] shall take effect on the date that is 1 year after the date of enactment of this Act [see section 3(a), (b) of Pub. L. 112-141, set out as Effective and Termination Dates of 2012 Amendment notes under section 101 of Title 23, Highways].”

REGULATIONS

Pub. L. 112-141, div. C, title II, § 32918(b), July 6, 2012, 126 Stat. 826, provided that: “Not later than 1 year after the date of enactment of this Act [see section 3(a), (b) of Pub. L. 112-141, set out as Effective and Termination Dates of 2012 Amendment notes under section 101 of Title 23, Highways], the Secretary [of Transportation] shall issue regulations to implement and enforce the requirements under subsections (b) and (c) of section 13906 of title 49, United States Code, as amended by subsection (a).”

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.

SELF-INSURANCE RULES

Pub. L. 104-88, title I, § 104(h), Dec. 29, 1995, 109 Stat. 920, provided that: “The Secretary of Transportation shall continue to enforce the rules and regulations of the Interstate Commerce Commission, as in effect on July 1, 1995, governing the qualifications for approval of a motor carrier as a self-insurer, until such time as the Secretary finds it in the public interest to revise such rules. The revised rules must provide for—

“(1) continued ability of motor carriers to qualify as self-insurers; and

“(2) the continued qualification of all carriers then so qualified under the terms and conditions set by the Interstate Commerce Commission or Secretary at the time of qualification.”

[Interstate Commerce Commission abolished by section 101 of Pub. L. 104-88, set out as a note under section 701 of this title.]

§ 13907. Household goods agents

(a) **CARRIERS RESPONSIBLE FOR AGENTS.**—Each motor carrier providing transportation of household goods shall be responsible for all acts or omissions of any of its agents which relate to the performance of household goods transportation services (including accessorial or terminal services) and which are within the actual or apparent authority of the agent from the carrier or which are ratified by the carrier.

(b) **STANDARD FOR SELECTING AGENTS.**—Each motor carrier providing transportation of household goods shall use due diligence and reasonable care in selecting and maintaining agents who are sufficiently knowledgeable, fit, willing, and able to provide adequate household goods transportation services (including accessorial and terminal services) and to fulfill the obligations imposed upon them by this part and by such carrier.

(c) ENFORCEMENT.—

(1) COMPLAINT.—Whenever the Secretary has reason to believe from a complaint or investigation that an agent providing household goods transportation services (including accessorial and terminal services) under the authority of a motor carrier providing transportation of household goods has violated section 14901(e) or 14912 or is consistently not fit, willing, and able to provide adequate household goods transportation services (including accessorial and terminal services), the Secretary may issue to such agent a complaint stating the charges and containing notice of the time and place of a hearing which shall be held no later than 60 days after service of the complaint to such agent.

(2) RIGHT TO DEFEND.—The agent shall have the right to appear at such hearing and rebut the charges contained in the complaint.

(3) ORDER.—If the agent does not appear at the hearing or if the Secretary finds that the agent has violated section 14901(e) or 14912 or is consistently not fit, willing, and able to provide adequate household goods transportation services (including accessorial and terminal services), the Secretary may issue an order to compel compliance with the requirement that the agent be fit, willing, and able. Thereafter, the Secretary may issue an order to limit, condition, or prohibit such agent from any involvement in the transportation or provision of services incidental to the transportation of household goods if, after notice and an opportunity for a hearing, the Secretary finds that such agent, within a reasonable time after the date of issuance of a compliance order under this section, but in no event less than 30 days after such date of issuance, has willfully failed to comply with such order.

(4) HEARING.—Upon filing of a petition with the Secretary by an agent who is the subject of an order issued pursuant to the second sentence of paragraph (3) of this subsection and after notice, a hearing shall be held with an opportunity to be heard. At such hearing, a determination shall be made whether the order issued pursuant to paragraph (3) of this subsection should be rescinded.

(5) COURT REVIEW.—Any agent adversely affected or aggrieved by an order of the Secretary issued under this subsection may seek relief in the appropriate United States court of appeals as provided by and in the manner prescribed in chapter 158 of title 28, United States Code.

(d) LIMITATION ON APPLICABILITY OF ANTITRUST LAWS.—

(1) IN GENERAL.—The antitrust laws, as defined in the first section of the Clayton Act (15 U.S.C. 12), do not apply to discussions or agreements between a motor carrier providing transportation of household goods and its agents (whether or not an agent is also a carrier) related solely to—

(A) rates for the transportation of household goods under the authority of the principal carrier;

(B) accessorial, terminal, storage, or other charges for services incidental to the transportation of household goods transported under the authority of the principal carrier;

(C) allowances relating to transportation of household goods under the authority of the principal carrier; and

(D) ownership of a motor carrier providing transportation of household goods by an agent or membership on the board of directors of any such motor carrier by an agent.

(2) BOARD REVIEW.—The Board, upon its own initiative or request, shall review any activities undertaken under paragraph (1) and shall modify or terminate the activity if necessary to protect the public interest.

(e) DEFINITIONS.—In this section, the following definitions apply:

(1) HOUSEHOLD GOODS.—The term “household goods” has the meaning such term had under section 10102(11) of this title, as in effect on December 31, 1995.

(2) TRANSPORTATION.—The term “transportation” means transportation that would be subject to the jurisdiction of the Interstate Commerce Commission under subchapter II of chapter 105 of this title, as in effect on December 31, 1995, if such subchapter were still in effect.

(Added Pub. L. 104-88, title I, § 103, Dec. 29, 1995, 109 Stat. 887; amended Pub. L. 104-287, § 5(35), Oct. 11, 1996, 110 Stat. 3392.)

HISTORICAL AND REVISION NOTES

PUB. L. 104-287

This amends 49:13907(e)(1) and (2) for clarity and consistency.

REFERENCES IN TEXT

Section 10102(11) of this title, referred to in subsec. (e)(1), was omitted and a new section 10102 enacted in the general amendment of this subtitle by Pub. L. 104-88, title I, § 102(a), Dec. 29, 1995, 109 Stat. 804, 806, effective Jan. 1, 1996.

Subchapter II of chapter 105 of this title, referred to in subsec. (e)(2), was omitted in the general amendment of this subtitle by Pub. L. 104-88, title I, § 102(a), Dec. 29, 1995, 109 Stat. 804, effective Jan. 1, 1996.

PRIOR PROVISIONS

Provisions similar to those in this section were contained in section 10934 of this title prior to the general amendment of this subtitle by Pub. L. 104-88, § 102(a).

AMENDMENTS

1996—Subsec. (e)(1). Pub. L. 104-287, § 5(35)(A), substituted “December 31, 1995” for “the day before the effective date of this section”.

Subsec. (e)(2). Pub. L. 104-287, § 5(35)(B), substituted “December 31, 1995” for “the day before such effective date”.

ABOLITION OF INTERSTATE COMMERCE COMMISSION

Interstate Commerce Commission abolished by section 101 of Pub. L. 104-88, set out as a note under section 701 of this title.

§ 13908. Registration and other reforms

(a) ESTABLISHMENT OF UNIFIED CARRIER REGISTRATION SYSTEM.—The Secretary, in cooperation with the States, representatives of the motor carrier, motor private carrier, freight forwarder, and broker industries and after notice and opportunity for public comment, shall issue within 1 year after the date of enactment of the