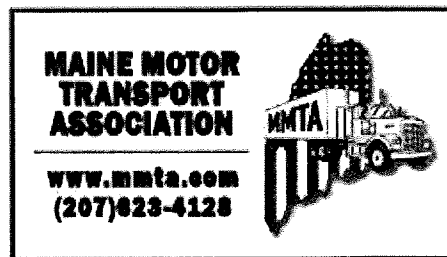


**TESTIMONY OF
Brian Parke
L.D. 1276, "An Act to Align Intrastate
Commercial Motor Vehicle Insurance
Requirements with Federal Standards"**



Good afternoon, Senator Bailey, Representative Mathieson, and members of the Committee on Health Coverage, Insurance and Financial Services. My name is Brian Parke and I am the President and CEO of the Maine Motor Transport Association and a resident of Brunswick. The Association is comprised of more than 1,870 member companies, whose employees make up a large portion of the almost 34,000 people who make their living in the trucking industry in Maine.

We are testifying neither for, nor against, LD 1276 but would like to provide further information as you consider this bill.

In the spirit of collaborating to make good public policy, we have spoken with Rep. Moonen and the Trial Lawyers Association before the bill had even come out of the Revisor's office. The objective of our discussions was to make sure we understood the goal of the bill in order to offer recommended changes prior to its introduction, and we want to thank Rep. Moonen for his willingness to set up and participate in this dialogue.

Our first reaction to this bill was that it will create an additional cost for some small Maine for-hire businesses that are only in INTRASTATE commerce. But the more we asked around for data that supported limits under the \$750,000 minimum required for INTERSTATE trucking companies, we could not find abundant evidence that supported our first impression. Which is why we are testifying in the NFNA category.

However, we do understand that the currently proposed language could be interpreted to apply to all commercial motor vehicles, including configurations that might include landscapers, utility vehicles, service trucks, etc. which might then likely have a dramatic economic impact on some small Maine businesses that aren't trucking companies.

We would also like to express a concern, one that was raised in our stakeholder meeting with Rep. Moonen, that higher limits can encourage higher judgements and the perception of this bill being self-serving is something that we are approaching with caution. Many of our counterparts in other states (and to a much lesser extent currently in Maine) are focusing much of their advocacy efforts on different tort reform measures as a response to their state's "nuclear verdicts", fraudulent activity and other nefarious schemes that target the trucking industry simply due to our higher insurance limits. To be clear, we don't see a lot of this currently in Maine, but other states are rife with billboard ads, radio spots and television commercials yelling at you to call their law firm if you have had any interactions with a big truck – sometimes regardless of fault. Again, this is not pervasive in Maine, but it is a concern worth sharing.

We also think this is a good opportunity to talk about cars being the predominant reason for most passenger vehicle and commercial truck crashes. At the February meeting of the MMTA's Safety Management Council, Troop K of the Maine State Police provided a report on Maine's CMV Fatal Statistics for 2020-2024. You can view the presentation on our SMC page that you can access through our website at www.mmta.com. In that presentation on the past 5-years of fatal crash data involving commercial trucks, the passenger car was classified as the "Primary Fault Causation" in 70% of those crashes. This statistic is in keeping with what we have known anecdotally from our professional truck drivers and from the evidence provided on their forward-facing cameras – distracted driving, speed and inattention, mainly by passenger cars, is the biggest factor in CMV crashes.

This is not to say that CMV's are blameless when it comes to causing crashes – we know our members aren't perfect – but the vast majority are dialed in on safety and compliance because they understand the significant role they play each and every time they share the road with Maine citizens.

And increasing minimums for intrastate commercial vehicles might be a way to address infrequent situations that have arisen in the past with motor carriers not carrying at least the \$750,000 required by the bill. But more frequently, our members are seeing passenger cars causing more damage than their limits require to our commercial vehicles – with some not

having insurance coverage at all. However, we are not here to suggest Maine should increase its passenger vehicle minimum insurance limits, although I'm sure we could find agreement with the Trial Lawyers on that point if we did. The point we are making in this regard is that passenger vehicles, who statistically cause seven out of ten crashes, can exhaust the required \$25,000 in physical damage coverage extremely easily (assuming they have insurance to begin with) due to the value of the new CMV trucks on the road today. Yet this bill only increases the limits of those in commerce.

Thank you for your consideration and for allowing us to testify today. I would be happy to answer any questions the committee has throughout this process.