

DEPARTMENT OF TRANSPORTATION

Federal Motor Carrier Safety Administration

49 CFR Parts 386 and 387

[Docket No. FMCSA-2024-0280]

RIN 2126-AC76

Broker and Freight Forwarder Financial Responsibility; Extension of Compliance

Date

AGENCY: Federal Motor Carrier Safety Administration (FMCSA), Department of Transportation (DOT).

ACTION: Final rule.

SUMMARY: FMCSA amends its November 16, 2023, final rule, “Broker and Freight Forwarder Financial Responsibility,” by extending the compliance date for certain provisions from January 16, 2025, to January 16, 2026. FMCSA is taking this action because the Agency determined that only its forthcoming online registration system will be used to accept filings and track notifications, and this functionality will not be added to its legacy systems. As the online registration system is not expected to be available before January 16, 2025, FMCSA extends the compliance date to provide regulated entities time to begin using and familiarizing themselves with the system before compliance is required.

DATES:

Effective date: This rule is effective [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

Expiration dates: Section 387.307T, which contains the regulations on brokers of property surety bonds or trust funds which are currently in effect, expires as of January 16, 2026. Section 387.307 is stayed until January 16, 2026.

Compliance dates: Brokers, freight forwarders, surety providers, and financial institutions must comply with all the provisions of § 387.307 beginning on January 16, 2026.

Petition submittal date: Petitions for reconsideration of this final rule must be submitted to the FMCSA Administrator no later than [Insert date 30 days after publication in the FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Ana Alvarez, Financial Analyst, Office of Registration, Financial Responsibility Filings Division, FMCSA, 1200 New Jersey Avenue SE, West Building, 6th Floor, Washington, DC 20590; (202) 366-0401; ana.alvarez@dot.gov. If you have questions on viewing or submitting material to the docket, call Dockets Operations at (202) 366–9826.

SUPPLEMENTARY INFORMATION: FMCSA organizes this final rule as follows:

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I. Availability of Rulemaking Documents

To view any documents mentioned as being available in the docket, go to <https://www.regulations.gov/docket/FMCSA-2024-0280/document> and choose the document to review. To view comments, click this final rule, then click “Browse Comments.” If you do not have access to the internet, you may view the docket online by visiting Dockets Operations on the ground floor of the DOT West Building, 1200 New Jersey Avenue SE, Washington, DC 20590–0001, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. To be sure someone is there to help you, please call (202) 366–9317 or (202) 366–9826 before visiting Dockets Operations.

II. Executive Summary

A. Purpose and Summary of the Regulatory Action

FMCSA extends certain compliance dates in the 2023 final rule, “Broker and Freight Forwarder Financial Responsibility” (88 FR 78656, Nov. 16, 2023), from January 16, 2025, to January 16, 2026, creating a single compliance date for all provisions in the rule. This extension will ensure that parties required to comply with the regulations have sufficient opportunity to register in the new online registration system and begin using it, and that FMCSA is able to properly process and respond to such filings. The provisions affected by this extension are:

1. Immediate suspension of broker/freight forwarder operating authority. When a broker or freight forwarder’s available financial security falls below \$75,000, FMCSA

shall suspend its operating authority registration.

2. Surety or trust responsibilities in cases of broker/freight forwarder financial failure or insolvency. If a surety/trustee becomes aware that a broker or freight forwarder is experiencing financial failure or insolvency, it must notify FMCSA and initiate cancellation of the financial responsibility.

3. Enforcement authority and penalties for financial responsibility providers who do not comply with the regulations. FMCSA is incorporating statutorily mandated penalties into its regulations. After notice and an opportunity for a hearing, surety companies or financial institutions who violate 49 CFR 387.307 will be ineligible to provide financial responsibility for 3 years and may also be subject to a civil penalty.

The extension of the compliance date is necessary so that FMCSA can make the new online registration system available to entities required to register and make filings in the system. This extension is also intended to provide users with an opportunity to begin using, and become familiar with, the new online registration system before compliance with the system becomes mandatory. The planned release for the new registration system is 2025.

B. Costs and Benefits

The 2023 Broker and Freight Forwarder Financial Responsibility final regulatory impact analysis estimated costs for compliance and implementation among brokers, freight forwarders, surety bond and trust fund providers, and the Federal government. This rule delays certain provisions requiring filings in the new online registration system until January 16, 2026, resulting in all provisions of the rule becoming effective at the same time.

Despite the delayed compliance for certain provisions, FMCSA finds that the benefits stipulated in the 2023 final rule remain unchanged by this rule. The provision mandating that brokers and freight forwarders maintain assets readily available in trust funds, will still take effect as originally scheduled, on January 16, 2026.

As it pertains to the immediate suspension provision, in the 2023 final rule's Regulatory Impact Analysis, the Agency estimated that less than 0.5 percent of all brokers would have faced immediate suspension proceedings under the new requirements in 2025. FMCSA lacked the data to quantify the number of financial failures that will occur in any given year and would therefore trigger the surety or trust responsibilities in cases of brokers/freight forwarder financial failure or insolvency. However, the Agency believes that the number of determinations of financial failure or insolvency is already represented in the immediate suspension estimate. As the affected population is relatively small, the Agency believes that the impact of a delay is de minimis.

Brokers and freight forwarders, surety bond and trust fund providers may incur cost savings by not being required to file documentation relating to certain other provisions until January 16, 2026. FMCSA may also incur cost savings in delaying the enforcement of several provisions of the 2023 final rule. In conclusion, the Agency finds that the change in costs and benefits as a result of the extension would be de minimis for these entities.

III. Abbreviations

CE	Categorical exclusion
CFR	Code of Federal Regulations
DOT	Department of Transportation
E.O.	Executive Order
FMCSA	Federal Motor Carrier Safety Administration
FR	Federal Register
NOOA	National Owner Operators Association
NPRM	Notice of proposed rulemaking
OMB	Office of Management and Budget
OOIDA	Owner-Operator Independent Drivers Association
PIA	Privacy Impact Assessment
PTA	Privacy Threshold Assessment
SBTC	Small Business in Transportation Coalition
URS	Unified Registration System
UMRA	Unfunded Mandates Reform Act
U.S.C.	United States Code

IV. Legal Basis

The legal basis of the Broker and Freight Forwarder Financial Responsibility final rule, set forth at 88 FR 78658 (Nov. 16, 2023), also serves as the legal basis for this final rule. The statutory authority identified in that discussion is 49 U.S.C. 13906, which contains requirements for the financial security of brokers and freight forwarders and directs the Secretary to issue regulations to implement and enforce these requirements. Authority to carry out and enforce these provisions has been delegated to the Administrator of FMCSA (49 CFR 1.87(a)(5)).

As discussed in the November 16, 2023, final rule, 49 CFR 387.403T(c) makes any requirements applicable to broker of property surety bonds and trust funds in § 387.307 applicable to the surety bond or trust fund required of freight forwarders as well.¹ Therefore, any time this rule refers to brokers, the same requirements are also

¹ Although 49 CFR 387.403 is currently suspended, it contains the same language making § 387.307 applicable to freight forwarders. Thus, when the suspension is ultimately lifted, it will have no effect on the analysis here.

applicable to freight forwarders.

Unless stated otherwise, FMCSA generally considers provisions that are not inextricably intertwined to be severable, meaning that if any provision in a rule is later held to be invalid, the remainder of the rule is not affected (49 CFR 389.41). While many provisions of this rule are integrated and the Agency anticipates the rule will function most effectively with all provisions operating together, FMCSA nonetheless finds that each major provision of the rule is severable from the others and could operate functionally even in the event some provisions were deemed invalid. In the event a court were to invalidate one or more of this final rule's unique provisions, the remaining provisions should stand.

V. Discussion of the Proposed Rulemaking and Comments

A. Proposed Rule

On November 16, 2023, FMCSA published a final rule adopting regulations to implement 49 U.S.C. 13906(b) and (c) (88 FR 78656). The final rule became effective 60 days later, on January 16, 2024. However, compliance with the provisions relating to immediate suspension, financial failure or insolvency, and penalties for trust or surety providers who fail to comply with the regulations is not required until January 16, 2025, and full compliance with all of the final rule's provisions is not required until 2 years after the effective date, beginning on January 16, 2026.

On November 4, 2024, FMCSA published a notice of proposed rulemaking (NPRM), proposing to extend the compliance deadlines for the provisions of the Broker and Freight Forwarder Financial Responsibility rule from January 16, 2025, to January 16, 2026. The affected provisions relate to immediate suspension, financial failure or

insolvency, and penalties for trust or surety providers who fail to comply with the regulations., In addition, FMCSA proposed to amend the expiration date of the temporary rule governing current practices, § 387.307T, and the compliance dates in § 387.307. This extension would create a single compliance date for all provisions in the rule, allow FMCSA to implement the new online registration system for filers to use, and ensure that filers are familiar with the online registration system and able to perform all duties mandated by the rule prior to the compliance date.

The close of comments was initially set as November 19, 2024. The Small Business in Transportation Coalition (SBTC) requested an extension of the comment period, and FMCSA granted a 7-day reopening of the comment period on November 21, 2024, with the comment period closing on November 29, 2024 (89 FR 92084).

B. Comments and Responses

FMCSA received 13 comments on this proposed rule with nine opposing the extension of the compliance date, two supporting it, one requesting an extension to the comment period, and one out of scope comment. The National Owner Operators Association (NOOA), the Owner-Operator Independent Drivers Association (OOIDA), and seven individual commenters opposed delaying the compliance dates for the provisions outlined in the November 16, 2023, final rule. First Century Financial Corporation and one individual commenter supported delaying the effective date for certain provisions outlined in the November 2023 final rule. SBTC requested an extension of the comment period, which was granted. One commenter addressed broker transparency issues, which fall outside the scope of this rule.

1. Need for the Extension

Comments

NOOA commented that FMCSA has had sufficient lead time to either add to its existing infrastructure or accelerate development of the forthcoming online registration system. NOOA states that regulated entities have been anticipating the need to comply with the regulations, making the proposed delay excessive. NOOA also stated that FMCSA did not provide adequate justification for extending the compliance date, as it does not outline any significant challenges that regulated entities would face in using the system.

FMCSA Response

The proposed revised compliance dates are crucial to ensure the smooth transfer of vital data, requiring careful coordination to avoid disruptions for users. It also allows adequate time to finalize and thoroughly test the capabilities of the new online registration system, to ensure the system's stability and security. This timeframe also enables FMCSA to provide training and outreach to both internal staff and external stakeholders, supporting a more efficient transition and reducing potential difficulties for regulated entities who will use the new system.

FMCSA determined that implementing the new online registration system was a priority because of its wide-ranging impacts, given that it is intended to function as a clearinghouse and depository of information on, and identification of, all foreign and domestic motor carriers, brokers, and freight forwarders, and other entities required to register with the Department, as well as information on safety fitness and compliance with minimum levels of financial responsibility. Additionally, prioritizing rollout of the comprehensive online registration system aligns with statutory requirements for FMCSA

to improve its information technology and data systems to ensure better oversight of motor carriers, drivers, and equipment, pursuant to section 103 of the ICC Termination Act of 1995 (Pub. L. 104–88, 109 Stat. 803, 888, Dec. 29, 1995) and subtitle C of title IV of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (Pub. L. 109-59, 119 Stat. 1144, 1761, Aug. 10, 2005). Building the functionality into the existing system would have required the Agency to divert critical resources away from development of the new online registration system and fulfillment of that statutory mandate.

2. Impacts of Delayed Compliance

Comments

NOOA commented that delaying compliance with these rules would disproportionately impact small operators, brokers, and freight forwarders, and that the industry relies on a streamlined process for transparency and operational efficiency and will be disadvantaged by the delay.

Michael Ravnitzky commented that the extension of the compliance date would have a positive impact on small businesses, as the burdens of compliance generally affect small businesses more than large ones. He stated that having additional time to comply would reduce small business burdens and facilitate a smoother transition to the new regulations.

FMCSA Response

FMCSA understands that this extension will provide cost savings for certain small businesses. By delaying the implementation of certain provisions, those small businesses will incur fewer expenses related to paperwork and regulatory compliance.

The additional time provided by this extension will allow small businesses to better prepare for the implementation of all provisions, likely leading to increased compliance. However, FMCSA also recognizes that other small businesses, mainly motor carriers, would prefer the immediate suspension provisions to take effect as originally scheduled because of the deterrent effect on brokers who fail to pay carriers and continue to accrue claims. As described in the Costs and Benefits section, above, the Agency estimates this rule will affect less than 0.5 percent of property brokers each year, and the effects of delaying compliance will therefore not be substantial across the transportation industry.

FMCSA finds that without certain automated processes currently under development in the new online registration system, effective compliance management will be compromised. Specifically, the Agency believes that tracking and processing drawdown notifications manually will be inefficient, leading to delays, higher administrative costs, and potential compliance risks for both FMCSA and the industry. The ability to efficiently suspend the operating authority of brokers and freight forwarders who fail to maintain the required financial security within the 7-day regulatory time frame depends upon both the regulated entities and the Agency being able to utilize a fully functional online filing system. For more detailed information regarding the launching of the new online registration system, stakeholders are encouraged to visit <https://www.fmcsa.dot.gov/registration/resources-hub>.

3. Training and Familiarization Period

Comments

In its comment, NOAA asserted that the training and familiarization period can be streamlined if FMCSA provides thoughtful, targeted training programs to circumvent the

need to delay the compliance date. NOAA believes FMCSA has previously demonstrated its capacity to do so and requested that the Agency maintain its original compliance date of January 16, 2025.

FMCSA Response

FMCSA is committed to developing both general and audience-specific training materials to support users in navigating the new registration system effectively once it is rolled out and made available. This will include tailored guidance for different user groups to address specific filing needs and reduce any potential learning curve. FMCSA will continue to leverage feedback to refine these training programs, ensuring that they are comprehensive, accessible, and focused on facilitating a smooth transition for all users.

4. Timeline for Online Registration System

Comments

OOIDA submitted a comment noting that it had previously expressed skepticism in its December 2023 Petition for Reconsideration about the timeline provided for the URS rulemaking process to be completed before the January 2025 compliance date. OOIDA stressed that URS remains a work in progress and that historically there have been numerous problems associated with its rollout. Additionally, OOIDA raised the issue that there are no assurances that the online registration system will be completed by the new proposed compliance date. OOIDA requested that the Agency find alternative and/or temporary methods to support the January 2025 implementation date issued in the November 2023 final rule (88 FR 78656).

FMCSA Response

FMCSA is actively engaged in developing and preparing for rollout of the new registration system, with a planned rollout in 2025. Although FMCSA always planned to build the filing functionality necessary to implement this rule into the new system, the compliance dates were not specifically tied to the launch date for that system. FMCSA initially believed its existing systems could be used to accept the required filings. However, through its stakeholder engagement efforts, FMCSA determined that adding the filing functionality to its legacy systems for use in the interim would likely create confusion and additional training burdens for filers, who would be responsible for learning to use two different filing systems in quick succession. Doing so would also utilize FMCSA resources that are better directed toward implementing the new online registration system. Therefore, FMCSA determined that stakeholders would benefit from delaying the compliance date until after the planned rollout of the new online registration system.

5. Out of Scope Comments

FMCSA received one comment concerning issues beyond the scope of this rule, which related to a separate rulemaking on broker transparency.² FMCSA has moved this comment to the appropriate docket and will consider it in connection with that rulemaking.

C. Effective Date

The Administrative Procedure Act section 553 prescribes a 30-day waiting period between publication of a rule and the effective date of that rule. However, agencies may waive this waiting period for substantive rules which grant or recognize an exemption or

² The Transparency in Property Broker Transactions docket can be found at: <https://www.regulations.gov/docket/FMCSA-2023-0257>.

relieve a restriction (5 U.S.C. 553(d)(1)). Here, FMCSA finds that the delay of an effective date of a substantive rule requirement is a substantive rule that relieves a restriction for a period of time, so making the rule effective immediately on publication is justified. FMCSA is balancing the benefit of requiring compliance as soon as is practicable with the burden on regulated entities, who are not yet required to comply with any of the provisions in the November 16, 2023, final rule, to perform the duties required. As the extension of the compliance date does not change the substance of any provisions of that rule, but merely provides regulated parties additional time to prepare, they would not be prejudiced if the change goes into effect immediately.

VI. Regulatory Analyses

A. Executive Order (E.O.) 12866 (Regulatory Planning and Review), E.O. 13563 (Improving Regulation and Regulatory Review), E.O. 14094 (Modernizing Regulatory Review), and DOT Regulatory Policies and Procedures

FMCSA has considered the impact of this final rule under E.O. 12866 (58 FR 51735, Oct. 4, 1993), Regulatory Planning and Review, as supplemented by E.O. 13563 (76 FR 3821, Jan. 21, 2011), Improving Regulation and Regulatory Review, and amended by E.O. 14094 (88 FR 21879, Apr. 11, 2023), Modernizing Regulatory Review, as well as the impact under DOT regulatory policies and procedures (DOT Order 2100.6A, June 7, 2021). This final rule is not a significant regulatory action under section 3(f) of E.O. 12866, as amended. Accordingly, the Office of Management and Budget (OMB) has not reviewed it under that E.O.

The 2023 Broker and Freight Forwarder Financial Responsibility final regulatory impact analysis estimated costs for compliance and implementation among brokers,

freight forwarders, surety bond and trust fund providers, and the Federal government.

This rule delays certain provisions requiring filings in the new online registration system until January 16, 2026, resulting in all provisions of the rule becoming effective at the same time.

Despite the delayed compliance for certain provisions, FMCSA finds that the benefits stipulated in the 2023 final rule remain unchanged by this rule. The provision mandating that brokers and freight forwarders maintain assets readily available in trust funds, will still take effect as originally scheduled, on January 16, 2026.

As it pertains to the immediate suspension provision, in the 2023 final rule's regulatory impact analysis, the Agency estimated that less than 0.5 percent of all brokers would have faced immediate suspension proceedings under the new requirements in 2025. FMCSA lacked the data to quantify the number of financial failures that will occur in any given year and would therefore trigger the surety or trust responsibilities in cases of brokers/freight forwarder financial failure or insolvency. However, the Agency believes that the number of determinations of financial failure or insolvency is already represented in the immediate suspension estimate. As the affected population is relatively small, the Agency believes that the impact of a delay is de minimis.

Brokers and freight forwarders, surety bond and trust fund providers may incur cost savings by not being required to file documentation relating to certain other provisions until January 16, 2026. FMCSA may also incur cost savings in delaying the enforcement of several provisions of the 2023 final rule. In conclusion, the Agency finds that the change in costs and benefits as a result of the extension would be de minimis for these entities.

B. Congressional Review Act

This rule is not a *major rule* as defined under the Congressional Review Act (5 U.S.C. 801-808).³

C. Regulatory Flexibility Act (Small Entities)

The Regulatory Flexibility Act (5 U.S.C. 601 et seq.), as amended by the Small Business Regulatory Enforcement Fairness Act of 1996⁴ requires Federal agencies to consider the effects of the regulatory action on small business and other small entities and to minimize any significant economic impact. The term *small entities* comprises small businesses and not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000 (5 U.S.C. 601(6)). Accordingly, DOT policy requires an analysis of the impact of all regulations on small entities, and mandates that agencies strive to lessen any adverse effects on these businesses.

This final rule will extend the compliance date for specific provisions of the 2023 final rule, “Broker and Freight Forwarder Financial Responsibility,” by 1 year from January 16, 2025, to January 16, 2026. The provisions already scheduled for compliance on January 16, 2026, will not be affected. The rule will impact small entities such as some surety bond and trust fund providers, brokers, and freight forwarders. The extension will provide small entities with additional time to register in the new online registration

³ A *major rule* means any rule that OMB finds has resulted in or is likely to result in (a) an annual effect on the economy of \$100 million or more; (b) a major increase in costs or prices for consumers, individual industries, geographic regions, Federal, State, or local government agencies; or (c) significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and export markets (5 U.S.C. 802(4)).

⁴ Pub. L. 104-121, 110 Stat. 857 (Mar. 29, 1996).

system and understand its operations and functionalities. By delaying the submission of documentation for certain provisions until January 16, 2026, these entities will also realize de minimis cost savings.

Consequently, I certify that this action will not have a significant economic impact on a substantial number of small entities.

D. Assistance for Small Entities

In accordance with section 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104-121, 110 Stat. 857), FMCSA wants to assist small entities in understanding this final rule so they can better evaluate its potential effects on themselves and participate in the rulemaking initiative. If the final rule will affect your small business, organization, or governmental jurisdiction and you have questions concerning its provisions or options for compliance, please consult the person listed under FOR FURTHER INFORMATION CONTACT.

Small businesses may send comments on the actions of Federal employees who enforce or otherwise determine compliance with Federal regulations to the Small Business Administration's Small Business and Agriculture Regulatory Enforcement Ombudsman (Office of the National Ombudsman, see <https://www.sba.gov/about-sba/oversight-advocacy/office-national-ombudsman>) and the Regional Small Business Regulatory Fairness Boards. The Ombudsman evaluates these actions annually and rates each agency's responsiveness to small business. If you wish to comment on actions by employees of FMCSA, call 1-888-REG-FAIR (1-888-734-3247). DOT has a policy regarding the rights of small entities to regulatory enforcement fairness and an explicit policy against retaliation for exercising these rights.

E. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531-1538) (UMRA) requires Federal agencies to assess the effects of their discretionary regulatory actions. The Act addresses actions that may result in the expenditure by State, local, or Tribal government, in the aggregate, or by the private sector of \$200 million (which is the value equivalent of \$100 million in 1995, adjusted for inflation to 2023 levels) or more in any 1 year. This final rule will not result in such an expenditure, so the analytical requirements of UMRA do not apply.

F. Paperwork Reduction Act

Due to the change of compliance date, the existing information collection requirements pertaining to broker and freight forwarder financial responsibilities will be updated at a later date.

G. E.O. 13132 (Federalism)

A rule has implications for federalism under section 1(a) of E.O. 13132 if it has “substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government.”

FMCSA has determined that this rule will not have substantial direct costs on or for States. Nothing in this document preempts any State law or regulation. Therefore, this rule does not have sufficient federalism implications to warrant the preparation of a Federalism Impact Statement.

H. Privacy

The Consolidated Appropriations Act, 2005,⁵ requires the Agency to assess the privacy impact of a regulation that will affect the privacy of individuals. This rule will not change any previously analyzed collections of personally identifiable information.

The Privacy Act (5 U.S.C. 552a) applies only to Federal agencies and any non-Federal agency that receives records contained in a system of records from a Federal agency for use in a matching program.

The E-Government Act of 2002,⁶ requires Federal agencies to conduct a Privacy Impact Assessment (PIA) for new or substantially changed technology that collects, maintains, or disseminates information in an identifiable form. No new or substantially changed technology will collect, maintain, or disseminate information as a result of this rule. Accordingly, FMCSA has not conducted a PIA. However, FMCSA will publish a PIA and a System of Records Notice covering all information that will be collected in the new online registration system.

In addition, the Agency submitted a Privacy Threshold Assessment (PTA) to evaluate the risks and effects the proposed rulemaking might have on collecting, storing, and sharing personally identifiable information. The PTA was adjudicated by DOT's Chief Privacy Officer on November 21, 2024.

I. E.O. 13175 (Indian Tribal Governments)

This rule does not have Tribal implications under E.O. 13175, Consultation and Coordination with Indian Tribal Governments, because it will not have a substantial direct effect on one or more Indian Tribes, on the relationship between the Federal

⁵ Pub. L. 108-447, 118 Stat. 2809, 3268, note following 5 U.S.C. 552a (Dec. 4, 2014).

⁶ Pub. L. 107-347, sec. 208, 116 Stat. 2899, 2921 (Dec. 17, 2002).

Government and Indian Tribes, or on the distribution of power and responsibilities between the Federal Government and Indian Tribes.

J. National Environmental Policy Act of 1969

FMCSA analyzed this rule pursuant to the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and determined this action is categorically excluded from further analysis and documentation in an environmental assessment or environmental impact statement under FMCSA Order 5610.1 (69 FR 9680), appendix 2, paragraphs (6.k) and (6.q). The categorical exclusions (CEs) in paragraphs (6.k) and (6.q) cover broker activities and implementation of record preservation. The requirements in this rule are covered by these CEs.

List of Subjects

49 CFR Part 386

Administrative practice and procedure, Brokers, Freight forwarders, Hazardous materials transportation, Highway safety, Highway and roads, Motor carriers, Motor vehicle safety, Penalties.

49 CFR Part 387

Buses, Freight, Freight forwarders, Hazardous materials transportation, Highway safety, Insurance, Intergovernmental relations, Motor carriers, Motor vehicle safety, Moving of household goods, Penalties, Reporting and recordkeeping requirements, Surety bonds.

For the reasons set forth in the preamble, FMCSA amends 49 CFR parts 386 and 387 as follows:

PART 386—RULES OF PRACTICE FOR FMCSA PROCEEDINGS

1. The authority citation for part 386 continues to read as follows:

Authority: 28 U.S.C. 2461 note; 49 U.S.C. 113, 1301 note, 31306a; 49 U.S.C. chapters 5, 51, 131–141, 145–149, 311, 313, and 315; and 49 CFR 1.81, 1.87.

2. Amend appendix B by revising and republishing paragraph (g)(24) to read as follows:

Appendix B to Part 386—Penalty Schedule: Violations and Monetary Penalties

* * * * *

(g) * * *

(24) Beginning on January 16, 2026, a surety company or financial institution for a broker or freight forwarder pursuant to § 387.307 of this subchapter that violates 49 U.S.C. 13906(b) or (c) or § 387.307:

(i) Is liable to the United States for a penalty of \$12,882 for each violation; and

(ii) Will be ineligible to provide broker financial security for 3 years.

* * * * *

**PART 387—MINIMUM LEVELS OF FINANCIAL RESPONSIBILITY FOR
MOTOR CARRIERS**

3. The authority citation for part 387 continues to read as follows:

Authority: 49 U.S.C. 13101, 13301, 13906, 13908, 14701, 31138, 31139; sec. 204(a), Pub. L. 104–88, 109 Stat. 803, 941; and 49 CFR 1.87.

4. Amend § 387.307 by:

a. Lifting the stay of the section;

b. Revising the introductory text and paragraphs (b) and (c)(6);

- c. Removing paragraph (c)(7);
- d. Redesignating paragraph (c)(8) as paragraph (c)(7); and
- e. Staying the section until January 16, 2026.

The revisions read as follows:

§ 387.307 Property broker surety bond or trust fund.

This section is effective January 16, 2026.

* * * * *

(b) *Acceptable assets.* Trust funds under this section must contain assets aggregating to \$75,000 that can be liquidated to cash within 7 calendar days. Acceptable assets included in any trust fund filed under this section are limited to cash, irrevocable letters of credit issued by a federally insured depository institution, and Treasury bonds.

(c) * * *

(6) An insurance company; or

* * * * *

5. Amend § 387.307T by revising the introductory text to read as follows:

§ 387.307T Property broker surety bond or trust fund.

This section will remain in effect until January 16, 2026.

* * * * *

Issued under the authority of delegation in 49 CFR 1.87.

Vincent G. White,
Deputy Administrator.