

# SENATE BILL 910

C4

5lr1879  
CF HB 1253

---

By: **Senators Middleton, Astle, Conway, DeGrange, Edwards, Hershey, Jennings,  
Kasemeyer, Kelley, Klausmeier, and McFadden**

Introduced and read first time: March 9, 2015

Assigned to: Rules

---

## A BILL ENTITLED

1 AN ACT concerning

2 **Motor Vehicle Insurance – Entry–Level Commercial Truck Driver’s License**  
3  **Holders – Study**

4 FOR the purpose of requiring the Department of Labor, Licensing, and Regulation to  
5 conduct a study of the availability, accessibility, and affordability of commercial  
6 motor vehicle insurance for motor carriers who want to employ entry–level  
7 commercial driver’s license holders, and to make certain recommendations;  
8 authorizing the Department to consult with certain State agencies, institutions of  
9 higher education, industries, and other persons; requiring the study to examine  
10 certain issues; requiring the Department to report its findings and recommendations  
11 to certain committees of the General Assembly on or before certain dates; and  
12 generally relating to motor vehicle insurance for motor carriers who employ  
13 entry–level commercial driver’s license holders.

14 Preamble

15 WHEREAS, A strong trucking industry is important to the economic health of the  
16 State and is critical to the operation and expansion of the Port of Baltimore; and

17 WHEREAS, 95% of containerized cargo handled at the Port of Baltimore is  
18 transported by truck and the Port anticipates significant future growth as expansion  
19 projects at the Panama Canal and Suez Canal are completed; and

20 WHEREAS, The American Trucking Association estimates that the truck driver  
21 shortage is approximately 35,000 nationwide and will grow to over 230,000 in the next 10  
22 years; and

23 WHEREAS, The shortage of truck drivers is impacting small businesses across the  
24 State, as well as nationwide; and

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 WHEREAS, Trucks serve every community in the State, and 93% of communities  
2 are exclusively dependent on trucks for delivery of their goods so that their residents have  
3 no other means to get the products they need; and

4 WHEREAS, The average age of the existing truck driver population is rapidly rising;  
5 and

6 WHEREAS, The trucking industry will need to recruit more than 100,000 new truck  
7 drivers each year to keep up with demand for drivers, with nearly two-thirds of the need  
8 caused by industry growth and retirement of drivers; and

9 WHEREAS, The State's veterans and displaced workers are potential sources of new  
10 truck drivers; and

11 WHEREAS, To meet future demand for truck drivers, the State needs to target  
12 workforce development programs in this sector; and

13 WHEREAS, Technological advances and program enhancements may increase the  
14 efficacy of State workforce development programs; and

15 WHEREAS, The State, with the support of community colleges, is investing in the  
16 education of the next generation of truck drivers through a broad array of workforce  
17 development programs; and

18 WHEREAS, Through the Employer Advancement Right Now (EARN) program, the  
19 State has dedicated resources to expand training for students to obtain commercial driver's  
20 licenses and gain employment in the trucking industry; and

21 WHEREAS, A trained workforce is a valuable resource for businesses looking to  
22 expand in or relocate to the State; and

23 WHEREAS, Graduates of workforce development programs from community  
24 colleges face significant obstacles in obtaining jobs in the trucking industry due to the  
25 limited availability of commercial motor vehicle insurance for entry-level commercial  
26 driver's license (CDL) holders; and

27 WHEREAS, Access to commercial motor vehicle insurance coverage is influenced by  
28 a broad spectrum of underwriting factors; and

29 WHEREAS, Commercial motor vehicle insurance coverage is not broadly available  
30 to entry-level CDL holders and can be difficult for small businesses and independent truck  
31 drivers to afford; and

32 WHEREAS, The Maryland Automobile Insurance Fund, while able to write  
33 commercial motor vehicle liability insurance for trucks under certain conditions, does not  
34 have statutory authority to write all the commercial motor vehicle insurance coverages

1 necessary to insure CDL holders, including inland marine coverage to insure cargo; now,  
2 therefore,

3 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
4 That:

5 (a) The Department of Labor, Licensing, and Regulation shall:

6 (1) conduct a study of the availability, accessibility, and affordability of  
7 commercial motor vehicle insurance for motor carriers who want to employ entry-level  
8 commercial driver's license (CDL) holders; and

9 (2) make recommendations on how to make commercial motor vehicle  
10 insurance for the motor carriers more available, accessible, and affordable.

11 (b) In conducting the study required under subsection (a) of this section, the  
12 Department may consult with:

13 (1) State agencies, including:

14 (i) the Maryland Insurance Administration;

15 (ii) the Department of Business and Economic Development;

16 (iii) the Maryland Vehicle Administration;

17 (iv) the Maryland Port Administration; and

18 (v) the Maryland Automobile Insurance Fund;

19 (2) institutions of higher education, entities related to institutions of  
20 higher education, and training schools, including:

21 (i) the Maryland Higher Education Commission;

22 (ii) the Maryland Association of Community Colleges;

23 (iii) community colleges that offer training for CDL holders; and

24 (iv) training schools that offer training for CDL holders;

25 (3) the motor carrier industry, including:

26 (i) the Maryland Motor Truck Association; and

27 (ii) small motor carriers that hire entry-level CDL holders; and

1 (4) the motor vehicle insurance industry and producers, including:

2 (i) insurance companies that write commercial motor vehicle  
3 insurance for small motor carriers;

4 (ii) the Property Casualty Insurers Association of America;

5 (iii) the American Insurance Association;

6 (iv) the Independent Insurance Agents of Maryland; and

7 (v) the Insurance Agents and Brokers of Maryland, Inc.

8 (c) In conducting the study required under subsection (a) of this section, the  
9 Department shall examine:

10 (1) the following issues related to the availability of commercial motor  
11 vehicle insurance:

12 (i) the role of safety technology in training entry-level CDL holders,  
13 including the use of simulators;

14 (ii) the impact workforce development programs, such as the State's  
15 Employer Advancement Right Now (EARN) program, have in providing resources for the  
16 workforce development of entry-level CDL holders;

17 (iii) the motor vehicle insurance endorsements and commercial motor  
18 vehicle insurance filings that are required under federal law; and

19 (iv) the barriers, if any, to the Maryland Automobile Insurance Fund  
20 in providing all necessary commercial motor vehicle insurance coverages for trucks driven  
21 by CDL holders;

22 (2) the following issues related to the accessibility of commercial motor  
23 vehicle insurance:

24 (i) the underwriting criteria used by the motor vehicle insurance  
25 industry in writing commercial motor vehicle insurance for motor carriers, including  
26 previous commercial motor vehicle driving experience;

27 (ii) the barriers and challenges to community colleges and training  
28 schools in providing more extensive training, including the use of behind-the-wheel  
29 driving on the road, behind-the-wheel driving on a range, and simulator technology to  
30 mimic real-life challenges faced on the road; and

31 (iii) the various training models and best practices to effectively train  
32 entry-level CDL holders; and

1                   (3)    the following issues related to the affordability of commercial motor  
2 vehicle insurance:

3                   (i)    the underwriting criteria used by the motor vehicle insurance  
4 industry in rating commercial motor vehicle insurance for motor carriers, including the  
5 driving records of truck drivers in noncommercial and commercial motor vehicles; and

6                   (ii)   the financial impact of insurance premiums on a motor carrier  
7 and mechanisms for reducing that impact.

8                   (d)    (1)   Subject to paragraph (2) of this subsection, on or before December 1,  
9 2015, the Department of Labor, Licensing, and Regulation shall report, in accordance with  
10 § 2–1246 of the State Government Article, its findings and recommendations of the study  
11 required under subsection (a) of this section to the Senate Finance Committee and the  
12 House Economic Matters Committee.

13                   (2)    If the Department has not completed the study on or before the date  
14 specified in paragraph (1) of this subsection, the Department:

15                   (i)    on or before December 1, 2015, shall report, in accordance with §  
16 2–1246 of the State Government Article, its interim findings and recommendations of the  
17 study to the Senate Finance Committee and the House Economic Matters Committee; and

18                   (ii)   on or before December 1, 2016, shall report, in accordance with §  
19 2–1246 of the State Government Article, its final findings and recommendations of the  
20 study to the Senate Finance Committee and the House Economic Matters Committee.

21                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
22 1, 2015.