March 15, 2026

Dear Honorable Members of Congress,

The Small Business in Transportation Coalition ("SBTC") aka **http://www.truckers.com** respectfully requests you please consider sponsoring and introducing into Congress our proposed **TRANSPORTATION INTERMEDIARIES ACCOUNTABILITY ACT OF 2026 ("TIA Act.")** The bill is available in Word format upon request. Please reach out to our lobbyist Laurence Socci via **laurence.socci@soccilawfirm.com** if you would like to be the lead sponsor or co-sponsor this bill.

BILL PITCH:

The problem here is, after SBTC first asked FMCSA to strengthen freight broker rate transparency on May 6, 2020, the agency has kicked this can down the road for nearly 6 years. Now, we are taking this matter to all members of Congress.

Under our TIA Act bill, FMCSA would be required to implement a new bond tier bracket structure just like they were directed to implement the one-size-fits-all $75k broker bond in 2013, which was passed as part of MAP-21.

Our TIA Act bill would create a new broker transparency obligation by law. It defines and establishes shipper expectations in terms of what is “reasonable and customary” compensation for brokers’ brokerage service. This uproots the current broker service arbitrage investor model and makes them perform as true third-party intermediary brokers. The bill guts the current ‘blank check’ business model and relies on the shipper to police broker financial abuse.

Right now, a licensed big freight broker often says to a shipper:

> ***“This truck is going to cost you $1,000. Trust me.”***

Then, the big freight broker says to the carrier:

> ***“All the shipper can pay on this load is $600. Trust me.”***

Well, we don’t trust them.

This is how too many of them score, in some instances, a **whopping 40% take,** which causes consumer prices to rise and contributes to inflation.

Honorable Members of Congress

March 15, 2026

They buy and sell transportation services in dual markets (the shipper's buyer market and the carrier's seller market) at essentially the same time. **Service arbitrage.**

This warped version of "brokering" would be like a real estate broker wearing their "licensed real estate broker" hat, flipping houses themselves acting as real estate investors and then calling this investment business activity brokerage. It simply is not. The closest business model to this perversion of brokering is SEC-regulated "broker-dealer" activity, whereby a licensed stockbroker executes trades for himself. Financial regulation and oversight of freight brokers is clearly needed here.

Transportation Intermediaries Association (TIA), the trade group for big brokers, has already arrogantly told the FMCSA:

> ***"Safety is in your name. Stay in your lane."***

And while we are **quick to reply in response that freight rates less than the cost to operate a truck cause independent truckers to then have to choose between feeding their children, paying the housing expenses, and maintaining their trucks, and that has EVERYTHING to do with safety,** it's time for Congress to step in here.

With our proposed TIA Act bill, a freight broker would have to tell the shipper his fixed brokerage commission is, say, 10%... upfront. Please note we do not propose standard percentages, nor do we advocate for minimum or maximum brokerage commissions. Rather, we leave this to the open free market as a matter of what the shipper market will tolerate and bear. However, they certainly will not knowingly agree to outrageous 40% brokerage commissions, which we believe many freight brokers are currently scoring, and at least **one broker has already been caught red-handed scoring,** under cloak of darkness and secrecy.

That would translate into shippers concluding brokers are unjustly enriching themselves above and beyond what are 'reasonable and customary' fees for brokerage service (as postulated by TIA & DAT Freight & Analytics (DAT) over the past five years as being "average broker margins" between 12% and 16%). Shippers would likely conclude that these brokers are ripping off both the shipper and the carrier to the detriment of America's consumers and the health of the economy. Once the carrier gets post-delivery broker rate transparency and learns what the shipper actually paid the broker, if it turns out the broker withheld any more than (in the example above) $100, this then becomes a matter of broker fraud and there is a cause of action, or even a class action.

Our proposed TIA Act bill regulates, defines, and establishes what the broker has to release to the carrier as the bona fide freight rate. No more service arbitrage day-trader investor freight-flipping nonsense. The TIA Act bill also sets a minimum freight rate and requires broker commission terms be set as a matter of law before broker-carrier rate negotiations even start. It makes carrier pay only a matter of negotiations in terms of what the shipper will pay a carrier for transportation services, which will moving forward have to be a rate per mile above the minimum freight rate, which is not arbitrary but is reasonably tied to the current average annual break-even cost to operate a truck per mile as reported by the American Transportation Research Institute (ATRI).

There will then be only one set of negotiations for carriers in terms of what the shipper is offering the carrier as the freight rate. The broker can no longer negotiate with the carrier a second time for his own additional benefit. He is limited and bound by his disclosed and agreed upon commission with his shipper.

No more double dipping! The jig is up!

Our bill also establishes a higher bond for big brokers and mega-brokers (based on 10% of the money they handle) to address the real problem of big brokers that go under with insufficient financial security in place to cover the amount of carrier money they handle, leaving carriers holding the bag for millions as reported recently here...

https://www.overdriveonline.com/business/article/15817227/hundreds-of-carriers-unpaid-after-big-brokers-rr-agx-freight-helix-logistics-shutter

Once Congress takes the mystery out of freight rate offerings, and confines the broker to a reasonable and customary commission that is accepted and agreed upon by the shipper in advance, then when a trucker is offered a rate, he can deduce that he is probably actually getting 85% to 90% of what the shipper is paying; a figure that can be verified after delivery by invoking the carriers' statutory right to review shipper-broker records on their load.

There is nothing more the independent trucker/motor carrier needs to do to protect himself because this finally brings ethics, integrity, and transparency back to trucking, and we *"make brokers **brokers** again."* This bill prevents shipper abuse and is clearly in the public interest in terms of ensuring a well-maintained supply chain, stable consumer prices, and controls for inflation. There is no attack on the free market, no violation of trade secrets, and no violation of broker-shipper confidentiality. Transparency remains limited only to those "parties to a brokered transaction," including the carrier bound by a typical broker-carrier NDA. Then it's simply a matter of traditional contract law, offer and acceptance.

Our bill takes the mystery out of the question: "what is the shipper really paying?" It stops the broker from making the shipper write a blank check for brokerage services that is filled in after the broker completes his exploitation of the carrier, which brokers eventually run into the ground. This, in turn, adversely affects the stability of our supply chain, especially, in times of volume crises like what happened in May of 2020 with the sudden COVID shutdown at which time, truckers were asked by brokers to move freight at a mere fifty-four cents per mile when it costs on average $2.35/mile to operate a truck.

Without action by Congress, this is a supply chain collapse waiting to happen due to episodes of price-fixing and/or price-gouging out of either desperation to maintain brokerage profit levels or sheer greed. Our minimum freight rate proposal fixes this and prevents exploitation and destruction of small carrier businesses by multi-billion dollar logistics companies operating as brokers, much like Congress already protects workers from big corporate exploitation through minimum wage law to ensure decent, minimum wage standards to achieve a minimum quality of life. No shipper will agree to pay a broker more than a reasonable and customary commission upon passage of this law. The days of scoring egregious 25% to 45% commissions or more will be over. The big brokers can't reasonably fight this because regulators and members of Congress will say:

> ***"...yeah... why aren't freight brokers charging their shipper clients a set fee for their services just like real estate brokers and stockbrokers?"***

All TIA ever says in response to these assertions is *'well, we're not like those other brokers.'* This bill now puts the spotlight on **WHY** they are not like all the other types of brokers. And the resounding answer is because they are freight-flipping, service arbitrage, day trader investors, not bona fide intermediary brokers! Just like real estate **investors** (not brokers) who buy, sell, and flip houses.

Until the industry, regulators, Congress, and the consumer public truly understand what has been going on here in trucking for decades, and how freight broker greed has contributed to inflation, nothing will ever be done to fix this. Our bill explains the true nature of this problem and offers reasonable and viable solutions. In essence, freight brokers have morphed this third-party intermediary role into two separate transactions and two separate negotiations. They have changed the nature of what it means to be an intermediary broker. Our bill corrects that. But a paradigm change is needed.

Our bill will force brokers to declare their commission percentage to shippers, their clients, upfront like all other types of brokers do. Like how a real estate broker says they will sell your home for 4%. Like how a stockbroker says they will execute trades for 1%. Shippers, in turn, will not agree to pay freight brokers 40%. Then, brokers' hands will be tied and they will have to operate ethically and transparent like every other type of broker.

Freight rates for truckers will then go up, and shippers' costs will go down as the market causes them to split brokers' current excessive windfall profits, which is simply nothing more than unjust enrichment. Shippers will police brokers and realize they have been overpaying their brokers who have been skimming way too much off the top.

They will hold brokers accountable to these purported 12% to 16% brokerage industry "average margin" (commission) percentages that TIA and DAT have been leading the public to believe are real across the board. Unscrupulous Big Brokers' revenue will go down. Truckers will righteously get 'more of the pie' so they can feed those kids, pay their rent, and replace those bald tires. **In the name of motor carrier safety.**

TIA will certainly push back to protect this lucrative yet deceptive scheme, but their bogus cries about "shipper confidentiality," "trade secrets" and how "brokers are really shippers" allowed by law to waive regulations in their contracts with carriers will fall upon deaf ears. Because this bill backs FMCSA up on their November 2024 interpretation of law in the NPRM that expressly states that brokers are **not** shippers.

This bill will fix all of these problems and then some, including current, anticompetitive broker practices that we believe constitute *"unreasonable restraint of trade."* Like requiring carriers show evidence of a "random" roadside inspection within the past 18 months. How can a carrier possibly comply with a demand that is contingent upon something that happens randomly? This is clearly meant to discriminate against independent truckers and small business carriers to the benefit of large carriers. In furtherance of fair competition, this unlawful practice **must** be stopped by Congress.

This bill does so.

We respectfully encourage you all as members of Congress to please seriously consider the merits of these concerns and honorably deliberate our proposed solutions. And while the TIA will remind you all that they have a PAC, we will remind you there are 3.9 million truckers many of whose votes elected you and can keep you in office. TIA has no such numbers or electoral power. We are in a position to help make that so through our new **http://www.TruckerVote.com** Congressional candidate grading system if you please heed our call and step up for independent truckers and carriers.

Accordingly, we issue this call for sponsors/cosponsors so we can get this important legislation that would level the playing field introduced and, together, stop the chronic exploitation of independent truckers and small carrier businesses by big brokers.

Thank you.

Sincerely,

/s/ JAMES LAMB, Executive Director

Small Business in Transportation Coalition, Inc. ("SBTC") aka Truckers.com

119TH CONGRESS
2ND SESSION

H. R. ____

An Act to Hold Surface Transportation Intermediaries Accountable to Federal Law, to Direct the Secretary to Revise Property Broker Regulations in order to Protect Shippers, Motor Carriers, Independent Truck Drivers & Small Property Brokers from Unfair & Anti-Competitive Trade Practices that Unreasonably Restrain Trade, Evade and Defeat Regulation, and Circumvent Rate Transparency Regulations through Contracts, and establish a minimum freight rate to ensure stability of America's supply chain.

IN THE HOUSE OF REPRESENTATIVES

MARCH 15, 2026

Mr. ____ (for himself, Mr. ______, and Mr. ________) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure.

A BILL

To acknowledge and enact public policy to ensure surface transportation intermediaries operate in a lawful, fair, and ethical manner in order to ensure fair competition and reasonable rates; establish statutory property broker (commonly referred to as "freight broker") commission transparency requirements; clarify that violation of transparency requirements constitutes statutory evasion of regulation; create a private cause of action for shippers and carriers who suffer broker transparency violations; establish a minimum freight rate to ensure stability of the supply chain; prohibit certain business practices that unreasonably restrain trade, and create new financial security requirements that are proportionate to property brokers' revenues.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE. ***TRANSPORTATION INTERMEDIARIES ACCOUNTABILITY ACT OF 2026 ("the TIA Act").***

SECTION 2. FINDINGS

(a) IN GENERAL.—It is the sense of Congress that it is a national priority and in furtherance of interstate commerce to promote safe, adequate, economical, and efficient transportation and ensure that surface transportation intermediaries that arrange for transportation of regulated commodities over the road using duly authorized motor carriers operate ethically, transparently, without exploiting motor carriers or unreasonably restraining trade, and pursuant to the licensing and bonding requirements set forth in 49 U.S. Code § 13904 and in accordance with the Secretary's regulations duly promulgated under 49 CFR § 371.

(1) Whereas, Congress has enacted a national transportation policy in Federal Law -- codified at 49 U.S. Code §13101: to

(a)In General.—To ensure the development, coordination, and preservation of a transportation system that meets the transportation needs of the United States, including the United States Postal Service and national defense, it is the policy of the United States Government to oversee the modes of transportation and—

(1)in overseeing those modes—

(A)to recognize and preserve the inherent advantage of each mode of transportation;

(B)to promote safe, adequate, economical, and efficient transportation;

(C)to encourage sound economic conditions in transportation, including sound economic conditions among carriers;

(D)to encourage the establishment and maintenance of reasonable rates for transportation, without unreasonable discrimination or unfair or destructive competitive practices;

(E)to cooperate with each State and the officials of each State on transportation matters; and

(F)to encourage fair wages and working conditions in the transportation industry;

(2)in overseeing transportation by motor carrier, to promote competitive and efficient transportation services in order to—

(A)encourage fair competition, and reasonable rates for transportation by motor carriers of property;

(B)promote efficiency in the motor carrier transportation system and to require fair and expeditious decisions when required;

(C)meet the needs of shippers, receivers, passengers, and consumers;

(D)allow a variety of quality and price options to meet changing market demands and the diverse requirements of the shipping and traveling public;

(E)allow the most productive use of equipment and energy resources;

(F)enable efficient and well-managed carriers to earn adequate profits, attract capital, and maintain fair wages and working conditions;

(G)provide and maintain service to small communities and small shippers and intrastate bus services;

(H)provide and maintain commuter bus operations;

(I)improve and maintain a sound, safe, and competitive privately owned motor carrier system;

(J)promote greater participation by minorities in the motor carrier system;

(K)promote intermodal transportation;

(2) Congress recognizes that all interstate highway mode transportation stakeholders must operate in a lawful, fair, economical, and ethical manner in order to ensure fair competition and reasonable rates that ultimately ensure stable consumer prices and prevent unjust enrichment at the expense of stakeholders and consumers.

(3) It has come to the attention of Congress that rather than act as true intermediary brokers, as compared to traditional brokers in other industries such as insurance brokers, stock brokers, and real estate brokers who charge their clients a set, agreed-upon commission for their services, most large property brokers act as service arbitrage investors who seek to buy and sell transportation services in multiple markets simultaneously. They enjoy the bar-to-entry to limit competition that comes with the property broker license and bonding requirements, call themselves brokers, but in reality, act as unregulated freight day-trader investors, who "flip" freight under the guise of being bona fide brokers. As such investors, they seek to guard the secrecy of their "margins" by evading the existing duly-promulgated broker rate transparency regulation codified at 49 CFR 371.3 grounded in over 75 years of regulatory wisdom and they unlawfully require waivers of 49 CFR 371.3 carriers' and shippers' rate transparency rights in their contracts.

(4) On May 6, 2020, the Small Business in Transportation Coalition (SBTC) filed a petition with the Secretary asking USDOT for rulemaking to stop large property brokers from coercing small motor carriers and independent truckers to waive their 49 CFR § 371.3

rights to brokers' broker-shipper transactional records, which reveal what should be termed as brokers' commissions, as a condition to be offered loads. SBTC suggested this practice violates 49 U.S. Code § 14906 Evasion of Regulation of Carriers and Brokers[1] and 15 U.S. Code § 1 of the Sherman Antitrust Act and asked for rulemaking to strengthen the existing broker rate transparency regulation.

(5) Subsequently, on May 19th, 2020, Owner-Operator Independent Drivers' Association (OOIDA) also filed a petition for rulemaking to strengthen the existing rate transparency regulation.

(6) On August 4, 2020, the Transportation Intermediaries Association (TIA) petitioned the Secretary to repeal the transparency provisions of 49 CFR § 371.3 arguing, in part, during an October 30, 2020 FMCSA "Listening Session"[2] that brokers are shippers entitled to waive 49 CFR § 371.3(c) under 49 U.S. Code § 14101b by virtue of the *ICC Termination Act of 1995.*

(7) On March 16, 2023, the Secretary, through the Federal Motor Carrier Safety Administration (FMCSA), granted the SBTC & OOIDA requests to commence rulemaking.

(8) On March 17, 2023, FMCSA denied TIA's petition for rulemaking to repeal the rate transparency regulation.

(9) FMCSA commenced the public notice and comment rulemaking requested by SBTC & OOIDA on November 20, 2024 announcing brokers are not shippers for the purpose of broker rate transparency waivers.[3] The agency solicited and received nearly 7,000 comments.

(10) On September 5, 2025, FMCSA announced through the Spring 2025 Unified Agenda that it would be commencing a new rulemaking on the SBTC & OOIDA Petitions in May of 2026. This matter is therefore still pending.

(11) On July 6, 2012, President Obama signed the *Moving Ahead for Progress in the 21st Century Act* (MAP-21), which raised the property broker bond from $10,000 to $75,000 and required freight forwarders for the first time to be bonded, which is a one-size-fits all financial security requirement that universally applies to transportation intermediaries, from the smallest one-man broker up to the largest multi-billion-dollar-a-year third-party logistics provider.

(12) Congress recognizes the one-size-fits-all $75,000 transportation intermediary bond has for over a decade been insufficient to guarantee brokers' performance and

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[1] *"A person, or an officer, employee, or agent of that person, that by any means tries to evade regulation provided under this part for carriers or brokers is liable to the United States for a civil penalty of at least $2,000 for the first violation and at least $5,000 for a subsequent violation, and may be subject to criminal penalties."*
[2] 85 FR 64613.
[3] https://www.fmcsa.dot.gov/regulations/federal-register-documents/2024-27115

protect shippers' payments to brokers and carriers' freight charges collected and handled by large intermediary entities. Accordingly, it is sense of Congress that in order to fairly reconcile the interests of shippers, brokers, and carriers that a new bond bracket tier system is necessary that is based on brokers' annual revenue as follows:

Brokers with revenues up to $750,000 shall be bonded at $75,000.

Brokers with revenues $750,000 - $1 million shall be bonded at $100,000.

Brokers with revenues $1 million - $10 million shall be bonded at $1 million.

Brokers with revenues $10 million - $100 million shall be bonded at $10 million.

Brokers with revenues $100 million - $1 billion shall be bonded at $100 million.

Brokers with revenues $1 billion - $10 billion shall be bonded at $1 billion.

Brokers with revenues $10 billion - $100 billion shall be bonded at $10 billion.

(13) Congress hereby determines that a property broker is not a shipper for the purposes of 49 CFR § 14101b. A property broker operating under a property broker license shall not be authorized to act as an investor or engage in arbitrage day trades in terms of the simultaneous buying and selling of transportation services without a broker-dealer license issued by the U.S. Security & Exchange Commission. It is therefore Congress' sense that it should be mandatory for all licensed property brokers' third-party commissions to be disclosed to their shipper clients and agreed upon upfront, and brokers should be required to automatically release, electronically and within 48 hours of delivery of a load, a rate transparency statement similar to a real estate closing statement that discloses their commissions to carriers that are contractually-involved in brokered transactions. Congress notes that disclosure of brokers' commissions in other industries is reasonable, customary and/or required by law as is the case with brokers in the real estate[4], insurance[5] and stock market industries[6]. Congress concludes there shall be a statutory right to broker commission transparency and a duty for brokers to afford shippers and carriers transparency that may not be lawfully waived by contract and that a private cause of action should be created to enforce this provision.

(14) Despite existing Federal law that prohibits Evasion of Regulation (49 U.S. Code § 14906), the USDOT has enforced the property broker transparency regulation codified at 49 CFR 371.3c in only two known instances upon complaint, but has refused to enforce the transparency regulation, after setting this precedent, and afford numerous similarly-

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[4] Real estate broker commissions are agreed upon in advance and are disclosed on closing statements.

[5] The Consolidated Appropriations Act (CAA) which became Pub. Law No: 117-328 on December 29, 2022 requires health insurance agents and brokers to disclose their commissions to clients, in writing, in advance of a sale.

[6] The average fee charged by stock brokerage firms is typically between 1% and 2% of the total transaction value and is disclosed to the stock broker's client in advance.

situated motor carriers and independent truckers who have also complained about rate transparency violations their rights to due process and equal protection of the law. It is therefore the sense of Congress that this selective enforcement practice is arbitrary and capricious, an abuse of executive discretionary enforcement authority, and offensive to the Fifth Amendment.

(15) Property brokers have recently engaged in the unreasonable practice of internally adjudicating loss and damage claims to circumvent the Carmack Amendment (49 U.S. Code § 14706) without being duly state-licensed insurance claims adjusters and have "offset" freight charges lawfully due and owing to motor carriers by deducting purported claim amounts without lawful authority. It is the sense of Congress that this practice constitutes unreasonable restraint of trade.

(16) Property brokers have recently engaged in the unreasonable and discriminatory practice of requiring independent truckers and small carriers show evidence of having been subject to at least one random roadside inspection within the past 18 months in order to receive loads despite the fact that the trucker or carrier's vehicles have been duly inspected in accordance with the periodic inspections required under 49 CFR Part 385. It is the sense of Congress that this practice constitutes unreasonable restraint of trade.

(17) Property brokers have recently engaged in the unreasonable and discriminatory practice of refusing to engage the services of new entrant motor carriers despite the fact they have lawful operating authority solely on the basis that their authority is new or has been recently reinstated after a short insurance lapse as if they were new. It is the sense of Congress that this practice constitutes unreasonable restraint of trade.

(18) Property brokers have recently engaged in the unreasonable and discriminatory practice of refusing to engage the services of small carriers solely on the basis that they only have one or too few trucks in their fleet. It is the sense of Congress that this practice constitutes unreasonable restraint of trade.

(b) STATUTORY CHANGES

(1) 49 U.S. Code § 14906 - Evasion of regulation of carriers and brokers is hereby amended by declaring the existing language as subjection (a). Additionally, new subsection (b) is added as follows:

> *"(b) The Secretary shall enforce the broker transparency regulations codified in 49 CFR 371.3 and all duly-promulgated regulations in a non-discriminatory, non-preferential, non-arbitrary, and non-capricious manner and refrain from engaging in selective enforcement in accordance with the Administrative Procedure Act (5 U.S. Code Chapter 5) and the Fifth Amendment's due process and equal protection of the law requirements, in compliance with this Act, and in furtherance of the national transportation policy (*49 U.S. Code §13101)*."*

(2) 49 U.S. Code § 14706(c) (3) as a matter of liability of carriers under receipts and bills of lading is hereby added as follows:

"No property broker may adjudicate shipper claims on its own to circumvent the normal motor carrier claims process nor offset defined as subtracting purported claims from freight charges due and owing to the carrier. "

(3) 49 U.S. Code § 14917 – Unreasonable Restrain of Trade is hereby added:

"49 U.S. Code § 14917 – Unreasonable Restrain of Trade

(a) It shall be unreasonable restraint of trade for property brokers to engage in the unreasonable and discriminatory practice of requiring independent truckers and small carriers show evidence of having been subject to at least one random roadside inspection within the past 18 months in order to receive loads despite the fact that the trucker or carrier's vehicles have been duly inspected in accordance with the periodic inspections required under 49 CFR Part 385.

(b) It shall be unreasonable restraint of trade for property brokers to engage in the unreasonable and discriminatory practice of refusing to engage the services of new entrant motor carriers despite the fact they have lawful operating authority solely on the basis that their authority is new or has been recently reinstated after a short insurance lapse as if they were new.

(c) It shall be unreasonable restraint of trade for property brokers to engage in the unreasonable and discriminatory practice of refusing to engage the services of small carriers solely on the basis that they only have one or too few trucks in their fleet."

(4) 49 U.S. Code §13101(a)(2)(L) is hereby amended by inserting the words:

"establish a minimum truck transportation freight rate, similar to the minimum hourly labor wage, adjusted annually on the first of January of every year, that is equal to the previous year's average cost to operate a truck per mile published by the American Transportation Research Institute (ATRI)."

(5) 49 U.S. Code §13906(b)(3) is hereby amended in its entirety as follows:

"MINIMUM FINANCIAL Each broker subject to the requirements of this section shall provide financial security for purposes of this subsection in accordance with the following tier brackets, adjusted annually on January 1st, based on the most recent tax annual revenue data reported to the Secretary on or before October 1st of each year using an annual broker revenue report form to be created and required by the Secretary:

Brokers with revenues up to $750,000 shall be bonded at $75,000.

Brokers with revenues $750,000 - $1 million shall be bonded at $100,000.

Brokers with revenues $1 million - $10 million shall be bonded at $1 million.

Brokers with revenues $10 million - $100 million shall be bonded at $10 million.

Brokers with revenues $100 million - $1 billion shall be bonded at $100 million.

Brokers with revenues $1 billion - $10 billion shall be bonded at $1 billion.

Brokers with revenues $10 billion - $100 billion shall be bonded at $10 billion."

(6) 49 U.S. Code § 13904(h) is hereby added:

Broker Transparency

1. Transactions with shippers

(a) As a condition for maintaining registration, property brokers shall disclose their third-party commissions, in terms of reasonable and customary percentages of the transaction of their choosing, to their shipper clients on each load in advance of shipment. Brokers shall secure shippers' agreement to their commissions in their broker-shipper contracts. Failure to do so shall constitute evasion of regulation under 49 U.S. Code § 14906.

(b) Brokers shall be required to automatically furnish broker-carrier financial documentation to shippers showing property broker commissions and payments to carriers and third-party vendors paid on the load, if any, in writing and send the information electronically to shippers within 48 hours of delivery of the load. Failure to do so shall constitute evasion of regulation under 49 U.S. Code § 14906.

(c) This requirement cannot be waived by contract.

(d) Whenever by a shipper's complaint or upon the Secretary's own initiative it is determined that a property broker has failed to disclose its commissions to a shipper in advance of the shipment and has thereby evaded regulation under 49 U.S. Code § 14906, the Secretary shall issue an order directing the broker to disclose its commissions to the complainant or affected party, and shall commence an operating practices proceeding under 49 U.S. Code § 13905 to determine if the broker's registration should be revoked. The Secretary may take any other action it deems just and proper under 49 U.S. Code § 14906.

(e) Whenever by complaint or upon the Surface Transportation Board's own initiative, it is determined that a property broker's commissions are not reasonable and customary, the Board shall issue an order to the broker setting a reasonable commission and directing applicable rate adjustments to the shipper and/or motor carrier, and, through public notice and comment rulemaking, the Board shall establish a zone of reasonableness for property broker commissions which must be respected thereafter.

Failure to comply with a Board order or rule shall constitute evasion of regulation under 49 U.S. Code § 14906. The Board may take any other action it deems just and proper under 49 U.S. Code § 14906.

(f) A person injured because a broker arranging for transportation subject to jurisdiction under chapter 135 does not comply with subparagraphs (a) and/or (b) above, may bring a civil action to enforce its rights under this subsection.

2. Transactions with motor carriers

(a) As a condition for maintaining registration, property brokers shall disclose their third-party commissions, in terms of reasonable and customary percentages of the transaction of their choosing, to their carrier vendors on each load. Failure to do so shall constitute evasion of regulation under 49 U.S. Code § 14906.

(b) Brokers shall be required to automatically furnish broker-shipper financial documentation to carriers showing property broker commissions and payments from shippers and to third-party vendors paid on the load, if any, in writing and send the information electronically to carriers within 48 hours of delivery of the load. Failure to do so shall constitute evasion of regulation under 49 U.S. Code § 14906.

(c) This requirement cannot be waived by contract.

(d) Whenever by complaint or upon the Secretary's own initiative it is determined that a broker failed to disclose its commissions to a carrier involved in a particular transaction with the broker and has thereby evaded regulation under 49 U.S. Code § 14906, the Secretary shall commence an operating practices proceeding under 49 U.S. Code § 13905 to determine if the broker's registration should be revoked. The Secretary may take any other action it deems just and proper under 49 U.S. Code § 14906.

(e) Whenever by a motor carrier's complaint or upon the Surface Transportation Board's own initiative, it is determined that a broker's commissions are not reasonable and customary, the Board shall issue an order to the broker setting a reasonable commission and directing applicable rate adjustments to the shipper and/or motor carrier and, through public notice and comment rulemaking, the Board shall establish a zone of reasonableness for broker commissions which must be respected thereafter. Failure to comply with a Board order or rule shall constitute evasion of regulation under 49 U.S. Code § 14906. The Board may take any other action it deems just and proper under 49 U.S. Code § 14906.

(f) A person injured because a broker arranging for transportation subject to jurisdiction under chapter 135 does not comply with subparagraphs (a) and/or (b) above, may bring a civil action to enforce its rights under this subsection.

(7) *49 U.S. Code § 14916(a)(3) is hereby added:*

"is in compliance with the broker transparency requirements set forth in section 13904."

(8) 49 U.S. Code § 13102(2) is hereby amended:

"The term "broker" means a person, other than a motor carrier or an employee or agent of a motor carrier, that as a principal or agent sells, offers for sale, negotiates for, or holds itself out by solicitation, advertisement, or otherwise as selling, providing, or arranging for, transportation by motor carrier for compensation. A broker is not a shipper for the purposes of 49 CFR § 14101b. When contracting with carriers, brokers shall comply with the minimum freight rate pursuant to *49 U.S. Code §13101(a)(2)(L)."*

(c) COMMENCEMENT OF STUDY

(1) IN GENERAL.—The Secretary of Transportation shall commence a study and report to Congress every four years on the business practices of regulated stakeholders as they may relate to unreasonable restraint of trade and the practices of states that may entail unreasonable burdens on interstate commerce in accordance with USDOT's 1979 Regulatory Policies and Procedures (44 FR 11034, Feb. 26, 1979), Executive Order (E.O.) 12866, E.O. 13563, and section 610 of the Regulatory Flexibility Act.

(2) FUNDING—There is hereby authorized from the funds appropriated for the operations of the Federal Motor Carrier Safety Administration $2,000,000 to carry out the requirements of subsection (c).

(3) EFFECTIVE DATE.—The Secretary's report shall be submitted to the Senate Committee on Commerce, Science, and Transportation and the House Committee on Transportation and Infrastructure one year after the date of the enactment of this Act and every four years thereafter.

(d) EFFECTIVE DATE — The statutory changes herein shall take effect on the date that is 270 days after the date of the enactment of this Act.