



Supreme Court to Rule in Freight Broker Case

The U.S. Supreme Court has agreed to hear a case that could significantly impact the freight brokerage and logistics industry. The case, *Shawn Montgomery v. Caribe Transport II LLC et al.*, centers on a long-standing legal dispute over whether federal law—specifically the Federal Aviation Administration Authorization Act (FAAAA)—shields freight brokers from state-based negligence claims. It arises from a highway accident in Illinois, in which the plaintiff, Shawn Montgomery, claims that C.H. Robinson, a freight broker, negligently selected a motor carrier with a poor safety record.

The legal issue is based around the FAAAA, which generally prohibits states from interfering with how motor carriers operate. However, there is a safety exception that preserves from preemption the "safety regulatory authority of a state with respect to motor vehicles," and courts have not yet agreed on how it applies in these situations. Some courts have ruled that the FAAA shields brokers from such claims while others contend that the safety exception should allow for state level accountability. This ambiguity has created complications and uncertainty for freight brokers, who claim that these inconsistent rulings disrupt business practices.

Logistics professionals should watch this case closely as it could shape freight broker responsibilities for years to come.

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