

Financial Responsibility Requirements for an Operating Authority

All motor carriers applying for an operating authority from the New Mexico Public Regulation Commission must maintain minimum levels of financial responsibility (insurance) in the amounts required under Commission rule, 18.3.3.10 NMAC.

There are three ways that a motor carrier can prove that it carries the required amount of coverage. The most common way for a motor carrier to prove to the Commission that the motor carrier carries the required amount of coverage is for the motor carrier to have their insurance company file a Form E with the Commission.

The insurance company filing the Form E must be authorized to transact insurance business in New Mexico. The required amount of public liability insurance coverage covered by the Form E varies by the seating capacity of the motor vehicles you use and the type of transportation you are seeking to provide. In most cases, Commission rule 18.3.3.10 NMAC adopts and incorporates by reference the financial responsibility limits required under federal law. Although not listed below, please be advised that there are also cargo insurance requirements for household goods carriers and on-the-hook and garage-keepers' liability insurance for towing services.

The amounts required under 18.3.3.10 NMAC are listed below:

Passenger services providing service in vehicles with a seating capacity of sixteen (16) passengers or more;	\$5,000,000
Passenger services providing service in vehicles with a seating capacity of fifteen (15) passengers or less, excluding taxicab services having a seating capacity of less than seven (7) passengers;	\$1,500,000
Taxicab services having a seating capacity of less than seven (7) passengers;	\$1,000,000
Towing services, repossession services, household goods movers, and motor carriers of property with a gross vehicle weight rating of 10,001 pounds or more (additional amounts of public liability insurance covering environmental restoration are applicable for motor carriers of property transporting hazardous materials);	\$750,000
Towing services, repossession services, household goods Movers, and motor carriers of property with a gross vehicle weight rating of 10,000 pounds or less must maintain a combined single-limit public liability insurance policy;	\$750,000
Motor carries of property transporting hazardous matter in intrastate commerce must maintain the minimum levels of financial responsibility	

required by 49 CFR 387.9 for interstate commerce regardless of gross vehicle weight and depending on the substance and other factors could be either \$1,000,000 or \$5,000,000.