

Proposed House Bill, Highway Accident Fairness Act of 2021, Targets Staged-Accidents

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On December 7, 2021, House Representatives Garret Graves (R-LA) and Henry Cuellar (D-TX) introduced the "Highway Accident Fairness Act of 2021." The Highway Accident Fairness Act of 2021 (the "Highway Fairness Act" or "Bill") targets so-called "staged-accidents" which occur when individuals intentionally enter into vehicular accidents with commercial vehicles to fraudulently claim injuries and other damages. In addition to the recent increase in prosecutions for staged accident schemes, the broader economic and political focus on supply chain issues may give political momentum to this or similar trucking related proposals going forward.

The Highway Fairness Act is aimed at protecting truckers and lowering insurance rates for the trucking industry.² In recent years, staged accident schemes, especially in southern states such as Louisiana and Texas, have evolved into semi-sophisticated criminal rings.3 Such a staged accident resulted in the November 2021 guilty plea of Chandrika Brown in the Eastern District of Louisiana. Brown, a thirty-year old Louisiana woman, plead guilty to mail fraud after a friend, Gibson, who was in need of money, recruited her to participate in a staged accident.⁴ Gibson, prior to recruiting Brown, was himself recruited by another co-conspirator.⁵ Gibson, Brown, and the initial coconspirator (identified as "Slammer") proceeded to drive in the same car and intentionally impact a commercial bus.⁶ Slammer then advised Brown and Gibson to claim injuries, when they did not actually suffer any injuries. Slammer also advised Brown to seek out a certain attorney to pursue her fraudulent claim against the bus company, "Hotard." Brown faces up to five years in prison and/or a fine of up to \$250,000.7 The investigation that resulted in the guilty plea was part of a federal crackdown on a broader conspiracy in Louisiana known as "Operation Sideswipe." Operation Sideswipe has resulted in 28 convictions thus far.8

The Highway Fairness Act would combat the phenomenon of staged accidents by levying substantial criminal penalties against accident participants. The Act would increase the maximum penalty for the operator in a staged collision to up to 20 years and for the operator in a collision that results in serious bodily injury, the maximum penalty will be no less than 20 years. 9 Notably, House members inserted a similar provision in the Biden administration's recently passed Infrastructure Investment and Jobs Act "Infrastructure Act." 10 That provision did not make it into the final Infrastructure Act, but Representatives Graves and Cuellar hope with a second effort to capitalize on the attention still on national supply line and trucking issues. While the fate of the Bill as an individual measure is unclear, its re-introduction comes as supply line concerns occupy the national economic and political spotlight. 11 The Whitehouse recently unveiled a plan to help lessen supply line clogs by boosting the number of truckers on the road. 12 While a provision in the Infrastructure Bill that would have allowed 18-20 year olds to truck interstate in an apprentice program was struck out, the Biden administration's most recent proposal seeks to lure and retain truckers with improved incentive programs and work conditions.¹³

The fate of the Highway Fairness Act in Congress is uncertain. It is likely, however, that economic and political focus will remain on the acute supply chain issues, exacerbated by the COVID-19 pandemic.

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(Continued)

- ¹ Highway Accident Fairness Act of 2021, H.R. 6151, 117th Cong. (2021); <u>Bill aims to protect truckers by making staged crashes a federal crime</u>, CDL LIFE (Dec. 10, 2021).
- ² H.R. 6151, at §2.
- ³ Mark Reddig, Proposed Federal Bill Targets Staged Collisions with Trucks, LAND LINE (Dec. 10, 2021).
- ⁴ United States v. Brown, et al, Criminal No. 20-92, Section: "R" (E.D. L.A. 2021).
- ⁵ *Id*.
- ⁶ *Id*.
- ⁷ Id.
- ⁸ 'Operation Sideswipe': C.R. England Files Rico Suit to Recoup \$4.7m Payout in Staged Crash Scheme, LAND LINE (Feb. 12, 2021).
- 9 H.R. 6151, §3.
- ¹⁰ Mark Schremmer, Staged Crashes Amendment Rejected from House Highway Bill, LAND LINE (June 30, 2021).
- ¹¹ O'Neal, Lydia, <u>Push to Let Teens Drive Trucks Interstate Divides the Industry</u>, THE WALL STREET JOURNAL (Sept. 9, 2021).
- ¹² Smith, Jennifer, <u>White House Revs up Trucker Recruitment Drive</u>, THE WALL STREET JOURNAL (Dec. 16, 2021).
- ¹³ *Id*.