



## U.S. SUPREME COURT ISSUES FAAAA PREEMPTION DECISION

May 15, 2026 | Chris Cotter

In *Montgomery v. Caribe Transport II, LLC*, No. 24-1238 (U.S. May 14, 2026), the U.S. Supreme Court issued its decision addressing whether negligent selection claims against transportation brokers are preempted by federal law. In a 9-0 decision, the Court held that the Federal Aviation Administration Authorization Act (“FAAAA”) does not serve as a bar to negligent selection claims against brokers, explaining that the claims fall within the so-called safety exception [49 U.S.C. § 14501(c)(2)(A)] built into the statute. Thus, the FAAAA’s broad preemption provision, which had long served as an appropriate shield against claims against transportation brokers arising out of truck accidents, will no longer block claims against brokers under the theory that the broker knew or should have known the motor carrier it selected was unsafe.

Justice Barrett, writing the opinion of the Court, applied what the Court termed the “ordinary meaning” of the FAAAA’s safety exception, which provides that the preemption provision “shall not restrict the safety regulatory authority of a State with respect to motor vehicles.” Justice Barrett explained that “common-law duties and standards of care form part of a State’s authority to regulate safety.” And a claim that a broker failed to exercise reasonable care when arranging transportation with a motor carrier, to transport goods via truck, is “with respect to motor vehicles.” Thus, the Court concluded that such claims fall within the so-called safety exception. The Court brushed aside the argument that under this interpretation, the exception would effectively swallow the rule, explaining that state laws directed to carrier prices, routes, and services that have no safety nexus will remain preempted.

Justice Kavanaugh, writing a concurring opinion, acknowledged the case was “closer than the Court’s opinion perhaps might suggest” and complimented the Seventh and Eleventh Circuit Courts for raising “a number of powerful points” in their determination that negligent selection claims were preempted by the FAAAA. Justice Kavanaugh also explained that “the Court’s decision yesterday should not be read to mean that brokers will routinely be subject to state tort liability in the wake of truck accidents,” only that FAAAA no longer serves as a bar to those claims. Justice Kavanaugh acknowledged the practicalities of the opinion, how “state tort law can be unpredictable, and the costs to brokers of litigation and insurance may be significant even when brokers prevail in lawsuits.” Those costs “will cascade through the economy and be paid in part by American consumers in the form of higher prices.”

The decision is immediately applicable to lawsuits currently pending as well as future lawsuits. And while state courts are not bound by *Montgomery*, we expect most of them will follow its rationale and conclusion. We know that there are many state courts right now that have paused their litigation to await the *Montgomery* decision.

We can expect the plaintiff bar will continue to assert claims against transportation broker in lawsuits arising out of truck accidents. With FAAAA preemption unavailable, brokers will need to defend the claim on its merits. Brokers can expect to engage in written discovery, document production, and depositions. The focus will be on brokers’ motor carrier selection procedures, internal communications, hiring practices, and other vetting procedures. Be prepared for plaintiffs’ counsel to nitpick through each and every memorandum, report, spreadsheet, and email for even the slightest shred of evidence that a broker opted for cost savings over safety. That said, in most jurisdictions, the broker will have the opportunity to address the claim at the motion for summary judgment stage, which could bring a successful, pre-trial end to claim.

In light of yesterday’s opinion, we recommend brokers immediately evaluate their carrier selection protocols, institute comprehensive carrier vetting protocols, and maintain detailed records that reflect adherence to those protocols. These lawsuits typically involve multi-defendants – not only the truck driver, motor carrier, and broker, but often other “upstream” entities as well, such as the shipper, truck dealer, and truck manufacturer. For this reason, be prepared for significant litigation costs, which will inevitably translate into higher insurance premiums. The decision will also likely increase the expectations of plaintiffs in terms of settlement demands and global settlement values.



As the practical effects of *Montgomery* unfold, brokers that proactively strengthen their carrier selection and documentation practices will be best positioned to manage both litigation exposure and rising costs.

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