CLIENT ALERTS & INSIGHTS

Bill of Lading Primer - Types and Regulatory Requirements

NOVEMBER 4, 2024

Authors: Jonathan R. Todd

Traditionally, the bill of lading ("BOL") is a basic transportation contract between shipper and carrier. It's importance under today's laws is established in the first sentence of the Carmack Amendment at 49 USC § 14706. A motor carrier issues the BOL for cargo under its care, custody, and control. The motor carrier receives a commitment from the shipper for payment of services rendered on those cargoes and the shipper receives near-strict liability for loss or injury to the goods.

The precise requirements for the fields of a BOL and its language are less straight-forward. Key differences exist for the requirements of BOL issued on general commodities movements, household goods movements, hazardous materials movements, and where use of the Uniform Straight Bill of Lading is required.

Motor Carriage of General Commodities - The regulatory requirements for a BOL issued on tender of general commodities are found at 49 CFR § 373.101. This Section establishes BOL standards for general for-hire non-exempt motor carriers hauling in interstate commerce. Motor carriers must issue BOL showing five elements: name of the consignor and consignee; origin and destination points; number of packages; description of the freight; and weight volume, or measurement of freight if applicable to rating.

Motor Carriage of Household Goods - The regulatory requirements for a BOL issued on tender of regulated household goods shipments are found in the Consumer Protection Regulations at 49 CFR § 375.505. This Section establishes BOL standards for traditional household moving services. Movers must issue BOL showing seventeen (17) elements. Essential details include the legal or trade name registered with the FMCSA, the names, addresses, telephone numbers, and US DOT numbers of the carriers involved, and the individual shipper's name and contact information. Other requirements include pickup date, company/carrier identification number for the vehicles used and terms and conditions for payment. There must be a description of any special or accessorial services ordered as well as the minimum weight or volume charges applicable to the shipment. Shippers will either choose full value protection for liability or waive it in favor of Surface Transportation Board's released rates.

This Section also requires carriers to specify the form of payment to be honored at delivery, and if transporting on a collect-on-delivery basis, to include the contact details of a person to notify about charges. The maximum amount to be demanded at time of delivery to obtain possession of the shipment must be included for collect-on-delivery basis.

Motor Carriage of Hazardous Materials - The regulatory requirements for a BOL issued on tender of hazardous materials is yet more complicated. Basic requirements for tender of hazardous

materials are found in the Hazardous Materials Regulations at 49 CFR § 172.202. One of those requirements is for the shipper to prepare a “shipping paper” which in practice is often combined with the BOL to fulfill all regulatory requirements (in addition to Section 373.101). The shipping paper requirements include the identification number prescribed for the hazardous material and the proper shipping name. The BOL that serves as the shipping paper must also indicate the hazard class or division number associated with the material. The packing group must be clearly stated since it classifies the level of danger presented by the material. The total quantity of hazardous materials covered by the description must be indicated, along with the applicable unit of measurement, and the total number of packages. Depending on the specific material being transported there may be additional description requirements outlined in 49 CFR § 172.203 that must be included on the combined BOL and shipping paper.

Uniform Straight Bill of Lading - The Uniform Straight Bill of Lading is referenced with some frequency in shipper-carrier motor carrier relationships even today. The truth is that a Uniform Straight Bill of Lading is only required for rail and water movements as set forth in 49 CFR § 1035.1. Appendix A of this Part 1035 presents the required terms for this type of BOL including the shipper's number, agent's number, company name, consignee details, destination, route and delivering carrier. Additionally, the BOL must include information about the delivering carrier’s car initial and number, as well as trailer and container details.

Jonathan Todd is Vice Chair of the Transportation & Logistics Practice Group at Benesch Law. He can be reached at 216.363.4658 or jtodd@beneschlaw.com.