LEGAL UPDATES

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Cargo Theft Claims Against Brokers Remain Preempted After *Montgomery*

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JULIE E. MAURER
PHOENIX:
480.824.7883
JULIE.MAURER@HUSCHBLACKWELL.COM

LOREN R. UNGAR
PHOENIX:
480.824.7888
LOREN.UNGAR@HUSCHBLACKWELL.COM

By way of background, the Supreme Court decided *Montgomery v. Caribe Transport II, LLC* in May 2026, holding that negligent hiring claims brought against brokers in connection with motor vehicle accidents fall within the "safety exception" to the Federal Aviation Administration Authorization Act of 1994 (FAAAA) under 49 U.S.C. § 14501(c)(2)(A), and are therefore not preempted. The Court, however, did not decide whether that exception also covers cargo theft and property loss claims. Four federal district courts have since addressed this precise issue, and each has reached the same result: the safety exception does not reach these claims, which remain preempted. Collectively, these decisions offer brokers additional guidance for handling cargo loss claims after *Montgomery*.

Recent Rulings: Distinguishing Cargo Theft from Roadway Safety

Since *Montgomery* was decided, no fewer than four federal district courts have taken up the question of whether its safety exception applies to cargo theft claims, and in each instance, the court answered no. Their reasoning offers a useful analytical model for separating property loss claims from the personal injury claims that *Montgomery* itself involved.

The first of these decisions, *Oneport Global Logistics LLC v. Amerigo Logistics LLC*[1], involved a broker who arranged for the transport of clothing valued at roughly $148,000. When the cargo went missing and was never located, the plaintiff brought claims for fraud and negligent misrepresentation. The District of New Jersey granted the broker's motion to dismiss, concluding the tort claims were preempted and observing that the plaintiff had not even argued that the safety exception applied.

In the second decision, *Grupo Gusi S. de P.R. de R.L. de C.V. v. Select Transport Partners*[2], a broker had arranged for the transport of frozen meat, which was diverted and never reached the buyer. The Southern District of Texas dismissed the negligence and bailment claims with prejudice. In doing so, the court distinguished safety concerns, involving "danger" and "a risk of physical harm," from fraud concerns, involving "deception-induced deprivation of property," and concluded that the claims bore "no relationship to safety" under *Montgomery*.

The third decision, *Zurich American Insurance Co. v. TForce Worldwide, Inc.*[3], arose after a broker unwittingly contracted with an impostor carrier, resulting in the theft of bronze ingots valued at approximately $170,000. The Central District of California dismissed the negligence claim without leave to amend, concluding it was preempted because there was "the absence of any clear connection between theft of cargo to the safety of vehicles or motorists on roadways."

The fourth and most recent decision, *Tapia Enterprises, Inc. v. Star Logistics, Inc.*[4], involved a food distributor that hired a carrier to move 40,000 pounds of beef, valued at approximately $190,000, from Kansas to California. Without an available truck of its own, the carrier turned to its affiliated brokerage arm, which unknowingly engaged a fraudster posing as a legitimate carrier. The shipment never arrived, and it was subsequently reported stolen, damaged, or otherwise missing, triggering a criminal investigation. The plaintiff brought claims against the broker for negligence and breach of contract. The court found the negligence claim preempted, noting nothing in the record suggested the broker had engaged a carrier likely to cause a roadway accident or otherwise endanger the public.

Common Ground: Property Loss Is Not a Safety Issue

Taken together, these decisions reflect a shared rationale: cargo theft amounts to "deception-induced deprivation of property" rather than a physical hazard on the road. Because none of the plaintiffs alleged that a carrier drove unsafely or endangered motorists, their claims fall outside the scope of the *Montgomery* safety exception. Several courts also emphasized a policy concern: permitting such claims would revive the very patchwork of state tort standards that the FAAAA was intended to eliminate through preemption.

What This Means Going Forward

These decisions carry meaningful practical weight. *Montgomery* does not stand in the way of brokers seeking early dismissal of cargo theft tort claims on FAAAA preemption grounds. This body of case law gives brokers a workable path to defend against such claims. Brokers facing such claims should move to dismiss, framing the plaintiff's allegations as centered on fraud, theft, or other property-related misconduct, rather than on physical danger arising from motor vehicle operation on public roads.

Contact Us

If you have questions about how these decisions may affect your business, please contact Julie Maurer, Loren Ungar, or your Husch Blackwell attorney.

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[1] 2026 WL 1734971 (D.N.J. June 16, 2026).

[2] 2026 WL 1804233 (S.D. Tex. June 23, 2026).

[3] 2026 WL 2140233 (C.D. Cal. July 22, 2026).

[4] 2026 WL 2262180 (C.D. Cal. Aug. 5, 2026).