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February 10, 2020

The Honorable Jan Schakowsky
Chairwoman
Subcommittee on Consumer Protection
and Commerce
U.S. House of Representatives
Washington, DC 20515

The Honorable Cathy McMorris Rodgers
Ranking Member
Subcommittee on Consumer Protection
and Commerce
U.S. House of Representatives
Washington, DC 20515

Dear Chairwoman Schakowsky and Ranking Member McMorris Rodgers:

The U.S. Chamber of Commerce's Technology Engagement Center (C_TEC) respectfully submits the following statement for the record for the Subcommittee's hearing titled "Autonomous Vehicles: Promises and Challenges Of Evolving Automotive Technologies."

Automated vehicles will impact industries ranging from insurance to trucking and are projected to provide enormous benefits to consumers and the public at large. We strongly support the Committee's efforts to gain a greater understanding of this technology and to collaborate towards a bipartisan solution to advance automated vehicle technology.

The introduction of automated vehicles will bring three key benefits. The first and most critical benefit is the potential for the technology to significantly reduce traffic fatalities. According to the National Highway Traffic Safety Administration (NHTSA), 36,560 Americans lost their lives in 2018 due to motor vehicle crashes, 94% of which were caused by human error. Second, automated vehicles will empower more Americans to be mobile. Currently, more than six million Americans have a disability impairing their ability to get where they need to go. Automated vehicles are expected to enable two million Americans with disabilities to become employed and save \$9 billion in healthcare costs from reducing missed medical appointments due to transportation challenges. Finally, the economic potential of automated vehicles is substantial. It is estimated that the annual domestic customer and public benefits from full automated vehicle deployment will reach \$796 billion by 2050.

While the United States remains the hotbed of innovation and of developing automated vehicle technology, American leadership is not guaranteed. By 2025, China plans that 30% of all cars sold in the country will have some level of automation, and China is projected to emerge as the largest market for self-driving vehicles at \$500 billion by 2030. Europe is not far behind. According to KPMG's Automated Vehicle Readiness Index, six of the top 10 ranked countries are in Europe.

To ensure that the United States continues to be globally competitive and unlock the opportunities presented by automated vehicles, policymakers must look at every option to advance this technology. In January of this year, the U.S. Department of Transportation and the White House Office of Science and Technology Policy released AV 4.0, “Ensuring American Leadership in Automated Vehicle Technologies: Automated Vehicles 4.0,” a light-touch regulatory approach to exercise American leadership in automated vehicles. C_TEC strongly supports the innovative approach taken by the guidance and we look forward to working with the Administration to ensure that the guidance is effectively implemented.

However, regulatory guidance, while important, is not the only opportunity to ensure American leadership in automated vehicles. C_TEC believes that Congress should enact legislation to further facilitate the development and deployment of automated vehicles. Last Congress, the House of Representatives unanimously passed H.R. 3388, the SELF DRIVE Act, which would establish a safe and effective regulatory framework for automated vehicles. C_TEC applauds the Committee’s bipartisan approach to the SELF DRIVE Act, and we encourage the Committee to continue its present bicameral, bipartisan efforts to advance automated vehicle legislation.

As Congress continues the process to develop automated vehicle legislation, C_TEC believes that Congress should address the following issues.

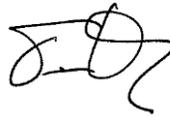
- **First**, the overarching principle of any legislation should be safety first. A safety-first approach to the development, testing, and deployment of automated vehicles would build public trust and ensure the safety promise of this technology.
- **Second**, preemption is a critical concern for the business community. A single, nationwide framework would promote a consistent set of regulations across the country to provide regulatory certainty to innovators and to effectively facilitate interstate commerce. However, while a nationwide standard is essential, C_TEC recognizes that state and local governments should retain existing authority to regulate areas such as automobile dealers, insurance, and local traffic laws.
- **Third**, legislation should ensure a stakeholder and technology-neutral approach. This approach encompasses both passenger and commercial automated vehicles and provide a level playing field for all industry stakeholders engaging in the testing and development of automated vehicles.
- **Fourth**, the modernization of motor vehicle regulations would be required to accommodate advances in automated vehicle technology. Any regulations should be performance-based, technology-neutral, flexible, and promote safety. In addition, Congress should raise the existing cap and duration on the Department of Transportation’s existing exemption authority to safely facilitate new and innovative motor vehicle designs.

While C_TEC believes that these policy solutions would provide a regulatory environment to safely enable automated vehicles, Congress should avoid adopting policy proposals that would inadvertently hinder innovation and impede the potential of automated vehicles. In particular,

lawmakers should be cautious of policies that limit the federal government's exclusive authority over the design, performance, and construction of motor vehicles, impose overly-prescriptive regulatory requirements, and expand legal liability.

The United States must not cede its innovative edge in the automated vehicle and mobility revolution and impede the ability for the technology to save thousands of lives and increase mobility for millions of Americans. To ensure continued global leadership, Congress should enact legislation to facilitate the safe development, testing, and deployment of self-driving vehicles. C_TEC is ready to work with the Committee and its members to responsibly advance the adoption of automated vehicles.

Sincerely,

A handwritten signature in black ink, appearing to read 'T. Day', with a stylized flourish at the end.

Tim Day
Senior Vice President
C_TEC U.S. Chamber of Commerce