

**STATEMENT FOR THE RECORD**

**Damon Porter, Director of State Government Affairs  
Association of Global Automakers**

**BEFORE THE WISCONSIN STATE ASSEMBLY COMMITTEE ON JOBS AND THE  
ECONOMY TO RECEIVE REMARKS FOR INFORMATIONAL PURPOSES  
ON AUTONOMOUS AND CONNECTED VEHICLE TECHNOLOGY**

February 22, 2017

On behalf of the Association of Global Automakers (“Global Automakers”), I am pleased to provide the following statement for the record to the Wisconsin State Assembly, Committee on Jobs and the Economy and its hearing on autonomous and connected vehicle technology. Global Automakers appreciates this opportunity to discuss with the Committee the benefits of advanced vehicles technology and public policy considerations needed to encourage continued investment and innovation.

Global Automakers represents international automobile manufacturers that design, build, and sell cars and light trucks in the United States. These companies have invested \$56 billion in U.S.-based facilities, directly employ nearly 100,000 Americans, and sell nearly half of all new vehicles purchased annually in the country. Combined, our members operate more than 300 production, design, R&D, sales, finance and other facilities across the United States.

Global Automakers congratulates the state of Wisconsin and in particular, the University of Wisconsin – Madison for being designated as a “proving ground” by the U.S. Department of Transportation. The ten communities selected will openly share best practices on the safe conduct for testing and operations of autonomous vehicles. Collectively, these proving grounds will play a key role in accelerating innovation as well as enabling the public and policymakers to learn about the benefits of automated technology.

*Automated and Connected Vehicles Have the Potential to Provide Enormous Transportation and Safety Benefits*

The automotive industry is in the midst of an unprecedented wave of technological innovation that is redefining how we think about transportation. The rapid pace of connected and automated vehicle technology presents significant opportunities for enhancing mobility, saving lives, improving transportation efficiency, and reducing fuel consumption and greenhouse gas emissions.

Vehicle automation represents the next big step in motor vehicle safety. Over the past several decades, our members have made tremendous strides in improving the safety of vehicle occupants in the event of a crash. The next step in this technological evolution is to avoid crashes altogether, and that is where vehicle automation can play a significant role.

It is important to recognize that vehicle automation is much broader than the “self-driving” or “driverless” car that is featured so prominently in the press. In fact, advanced automated technology is already featured in a number of vehicles on the road today, such as crash imminent braking, lane keeping assist, and adaptive cruise control. These systems, which are often considered foundational to the development of more highly automated systems, are designed to provide support to the driver in certain situations, and are not designed to maintain vehicle control over an extended period of time. The capability of vehicles to operate without the active control of the driver will evolve as advanced automated systems improve.

Over time, vehicles will provide more automated features and functionality, and this is a good thing for consumers. Despite substantial advances in auto safety over the last several decades, an estimated, 94% of crashes are attributed to driver error. Through further advancements in vehicle automation, we have the potential to reduce both the occurrence and severity of crashes in the future by taking corrective action for human driving errors. Advanced automotive technology will not only help mitigate crashes and save lives, but also will benefit the environment, improve traffic congestion and potentially provide mobility independence for those with disabilities.

## *Advancing Vehicle Automation Requires the Right Public Policy*

Automated vehicles have garnered significant media attention and have captured the imaginations and interest of both the public and policymakers alike. As is the case with any new and transformative technology, the idea of increased vehicle automation is often met with mixed reactions ranging from fear, uncertainty, and doubt, to excitement and anticipation for the future of “self-driving.”

The development and testing of automated vehicles also presents significant economic opportunities for the states hosting these activities. For instance, Columbus, Ohio recently won the U.S. Department of Transportation’s Smart City Challenge and was awarded a \$50 million grant to develop intelligent transportation systems, becoming the first integrated and connected transportation system. Connected and automated vehicles will be a big part of that program.

Given the significant benefits these technologies will offer, it is important that we have the right regulatory framework at both the state and federal levels to foster innovation and investment.

This regulatory framework should have two components:

First, it should be flexible and allow manufacturers to develop, test, and market new systems that will provide broad societal benefits. A formal and overly-prescriptive program simply cannot keep up with the pace of innovation.

Second, automated vehicle policy should be national in scope and allow manufacturers to build vehicles that can be tested, sold and operated in all fifty states. A patchwork of separate state laws establishing inconsistent design and performance criteria for automated vehicles would be unworkable. Safety is a national priority, and a failure to account for either of these key principles will undoubtedly slow progress and delay the development and adoption of this life-saving technology.

The U.S. Department of Transportation (DOT) and the National Highway Traffic Safety Administration (NHTSA) have offered a measured response to the development of automated vehicle technology. In September 2016, NHTSA released its Federal Automated Vehicle Policy, which includes “Guidance” for the developers of automated vehicles, and a Model State Policy which lays out considerations for state policymakers. The Guidance provides a policy framework for developers and manufacturers that is more flexible and nimble than the formal rulemaking process, and is intended to provide additional safety assurances, recognizing that technology can advance more rapidly than regulation.

The Model State Policy seeks to provide guidance to the states to help support a uniform nationwide approach to automated vehicle policy. It sets a clear marker in defining the roles of state government in addressing issues related to vehicle automation: standards that impact the design and performance of motor vehicles is a federal responsibility while states maintain authority over issues such as driver licensing, vehicle registration and insurance. Global Automakers believes that NHTSA’s Federal Automated Vehicle Policy is an important first step toward a consistent national approach for this burgeoning technology.

Despite this clear leadership at the federal level, there have been several state proposals imposing significant barriers to testing and deployment of automated vehicle. States such as California, Nevada, Florida, and Michigan, as well as the District of Columbia, have already enacted laws related to the testing and operation of automated vehicles. Each of these states has taken a slightly different approach to the issue. Even more concerning is that we have seen several pieces of legislation introduced in state Capitols that would actually prohibit vehicles currently in use on public roads.

This year alone, more than 40 legislative proposals related to automated vehicles have been introduced in the states. These laws often include conflicting definitions of what constitutes an automated vehicle as well as various vehicle requirements that can dictate the way automakers must design and manufacture systems.

This activity at the state level presents significant challenges for the auto industry. For instance, what would happen if an automated vehicle is certified as meeting the design criteria for one

state but not another state? Would the vehicle be banned from crossing the state line? From the perspective of an automobile manufacturer, a single national approach to the design and production of automated vehicles is of paramount importance. Erecting barriers to the testing and deployment of automated vehicles at the state level will only hamper investment and innovation in this life-saving technology.

There are actions that states such as Wisconsin can undertake to spur advances in automated vehicle technology. For instance:

- States should review their existing laws to determine whether there are any unnecessary barriers to the testing and deployment of automated vehicles. For example, a law requiring that a driver to have two hands on the wheel at all times would inhibit the ability to test vehicles with full self-driving systems.
- Be cautious about enacting unneeded laws or regulations concerning automated vehicles. New legislation is likely not necessary to spur investment and innovation in this area. The states of Ohio and Virginia are examples of states taking the right approach. These states neither enacted legislation nor promulgated a rule before drawing investments in automated vehicle testing, and both have engaged with industry to promote this technology. Ohio and Virginia, among others, have demonstrated to developers that innovation will be allowed to flourish.
- Other states that have taken a heavier hand with respect to automated vehicle regulation, most notably California, have created a much less friendly environment for this technology. Such regulatory activity limits innovating thinking and creativity, especially in a state known historically for its high-tech, entrepreneurial business climate.
- Elected officials and interested stakeholders should contact the Federal Communications Commission (FCC) urging it to protect the Safety Spectrum, which is essential to safe and connected automation. The Safety Spectrum is a critical enabler of vehicle-to-vehicle (V2V) and vehicle-to-infrastructure (V2I) communication, which allow connected cars to “talk” to each other and their surroundings. Connected vehicle

technology requires the Safety Spectrum (*i.e.* the 5.9 GHz spectrum band) to provide critical real-time communications to help avoid crashes. The Safety Spectrum was allocated for motor vehicle safety 20 years ago, and automakers are already developing and deploying V2V and V2I systems that will further enhance vehicle safety and mobility. Many states are already considering how connected vehicle technology can be leveraged to enhance the benefits of automation by creating ‘smart corridors’ to enable the further testing and deployment of advanced technology vehicles.

The FCC is currently considering changes to the rules governing how the Safety Spectrum is used, placing automotive and public safety at risk. Many state departments of transportation are already working on infrastructure development that would use this spectrum for vehicle-to-infrastructure communications, and realizing the full potential of that investment depends on the availability of the Safety Spectrum.

The automobile industry and policymakers, at all levels of government, must continue striving to identify sustainable long-term approaches to support the deployment of connected and automated technology in the future. To achieve these technology benefits, there must be close collaboration and coordination among government, industry, academia, and other stakeholders. We must also ensure the policy environment supports a national approach. Global Automakers and our member companies believe that connected and automated vehicles represent a critical step towards our shared long-term goal of safer, cleaner, and more efficient vehicle transportation. We appreciate the opportunity to provide comments to the Committee on Jobs and the Economy and look forward to further engagement on this important issue.

- END -