

Statement for the Record

John Bozzella

President and CEO Association of Global Automakers, Inc.

**Senate Committee on Commerce, Science, and Transportation Hearing “Paving the Way
for Self-Driving Vehicles”**

June 14, 2017

On behalf of the Association of Global Automakers (“Global Automakers”), I am pleased to provide the following statement for the record of the Senate Committee on Commerce, Science, and Transportation hearing entitled “Paving the Way for Self-Driving Vehicles.” We commend Chairman Thune, Ranking Member Nelson, and Senator Peters for their commitment to pursue bipartisan legislation on automated vehicles as reflected in their recently released principles.

Global Automakers represents international automobile manufacturers that design, build, and sell cars and light trucks in the United States. Our automaker members have invested \$56 billion in U.S. facilities and directly employ 98,500 employees located throughout the United States. Global Automakers’ members have 28 manufacturing facilities in twelve states and built 4.6 million vehicles in the United States in 2016, a 41 percent increase in production in the last decade. Global Automakers and our member companies are committed to creating the safest, cleanest and most technologically advanced vehicles on the road.

The automotive industry is making major investments in the research and development of automated vehicle technology here in the United States, and Global Automakers thanks the Committee its interest and proactive approach to vehicle automation. As you know, the Department of Transportation (DOT) has demonstrated federal leadership and established a process to provide assurance that safety is being addressed at the national level through the issuance of its Federal Automated Vehicles Policy. At the same time, a number of states around the country are pursuing policies to regulate automated vehicles. Therefore, it is important and timely that the Committee is focusing its attention on this subject. With the right policies, the United States can continue to lead in the development of these technologies and bring their benefits to the American people as quickly as possible.

Automated vehicle systems can save lives, enhance mobility, improve transportation efficiency, and reduce fuel consumption. Public policy should spur this innovation, encourage testing, and permit nationwide deployment of vehicles across all levels of automation. Decisions made today will determine how fast and how far our systems evolve, and inconsistent policy approaches—particularly as they relate to vehicle characterization, performance, and design—could have

long-lasting consequences. Only the federal government can ensure a framework that encourages and enables the development of highly automated vehicles, and it should work with state and local policymakers to provide guidance and establish clear policy roles and responsibilities.

The United States has long recognized that the automobile market is a national market and that manufacturers' success rests on the ability to sell vehicles that can be operated in all fifty states. The U.S. further recognizes that vehicle safety is a national priority, and the Motor Vehicle Safety Act has set clear limits on the role of states in regulating the design of motor vehicles. As opposed to the regulation of conventional vehicles comprised primarily of mechanical systems, automated vehicles have systems that rely as much on software as on hardware. This presents new challenges for policymakers and regulators. To address these emerging issues, DOT has established a nimble and flexible approach to oversee the safe testing and deployment of automated driving systems. In addition to the Federal Policy, the National Highway Traffic Safety Administration (NHTSA) maintains existing authority over motor vehicle safety to exercise recall and enforcement powers to address areas where there is deemed to be an unreasonable risk to safety. Unfortunately, while NHTSA examines potential future regulatory action for automated vehicle systems, the current scope of the Motor Vehicle Safety Act does not explicitly prevent states from developing disparate requirements in the absence of federal standards.

Global Automakers support efforts by Congress and the Administration to ensure that there is a consistent national approach to automated vehicle policy in the United States and clarify the respective roles of federal, state and local governments. As stated in the Federal Automated Vehicle Policy, the primary roles and responsibilities of the federal government include setting Federal Motor Vehicle Safety Standards (FMVSS), ensuring compliance with standards, investigating defects, and issuing guidance for manufacturers and other entities. In contrast, state responsibility focuses on issues related to the operation of those vehicles on their roads, such as driver licensing and responsibility, vehicle registration, and insurance. This approach has supported decades of improvement in motor vehicle safety. Preempting state laws and regulations that prescribe design and performance standards for automated vehicles would help spur the further development, testing and deployment of this life-saving technology.

Congress can also help expedite automated technology deployment by providing NHTSA with authority to exempt an increased number of highly automated vehicles from standards that would otherwise limit their deployment. Existing regulations, understandably, did not envision the emergence of automated vehicle technology, and as a result there is uncertainty when seeking to certify a vehicle that is designed to operate without the engagement, or possibly the presence, of a driver. As noted in a March 2016 report by the U.S. DOT Volpe Center, there are a number of

FMVSS that may limit the deployment of automated vehicles due to either explicit or implicit references to the presence of human driver.

Similarly, while expanded exemptions may provide greater opportunities for the deployment of automated vehicle systems in the short-term, it may not provide the necessary long-term certainty for manufacturers. It is therefore important that the federal government identify any outdated standards that may unnecessarily limit innovation and work collaboratively with industry and other stakeholders to update those standards to accommodate automated systems.

Global Automakers and our member companies believe that automated vehicle technologies can provide significant benefits, and we look forward to working with the Committee to help bring these benefits to the American people. If policymakers can ensure an environment where innovation is permitted to thrive, automated vehicles can truly transform vehicle transportation.