



May 17, 2021

The Honorable Jan Schakowsky, Chair
The Honorable Gus Bilirakis, Ranking Member
U.S. House Committee on Energy and Commerce
Subcommittee on Consumer Protection and Commerce
2125 Rayburn House Office Building

Dear Chair Schakowsky and Ranking Member Bilirakis:

Consumer Reports (CR), the independent, nonprofit, nonpartisan organization, writes regarding the hearing, “Promises and Perils: The Potential of Automobile Technologies.” As advocates who work with policymakers, consumers, and industry to build a fair and just marketplace, we welcome the opportunity to communicate with you on this vital subject.

Today’s cars and trucks have numerous capabilities that many Americans would have considered unimaginable two decades ago. Tomorrow’s vehicles may follow suit, thanks to the creativity of automotive engineers and advances in software, electronics, and sensors.

At the same time, it is an open question whether future vehicles will truly account for the challenges we face. More than 35,000 people die in vehicle-related crashes in the U.S. each year, and millions are injured. Auto emissions contribute to another 70,000 annual pollution-related deaths nationwide, and motor vehicles are among the largest contributors to climate change. Some industry practices continue to run counter to basic consumer rights that must be upheld.

CR urges the Subcommittee to ensure the cars and trucks of the future are substantially safer, less polluting, and more efficient than the vehicles of today. We also urge members to prioritize fairness for all consumers, to ensure their fundamental rights in the marketplace are not violated. As automotive technology continues to move forward at a rapid pace, policymakers can capitalize on several essential opportunities to put people first.

Opportunity #1: Safer cars. The current Congress has an opportunity to pass transformative and necessary road safety legislation that would substantially reduce the toll of car crashes. In particular, CR strongly supports provisions that would require existing auto safety technologies, including automatic emergency braking and blind spot warning, to come standard on all new vehicles and meet minimum federal performance requirements. We also support provisions to require technology on all new vehicles to reduce driver inattention and prevent drunk driving. It is furthermore important for the Subcommittee to approve CR-endorsed legislation to enhance the five-star new car safety ratings program, help stop child heatstroke deaths, and improve safety in cars with keyless ignitions, among other measures.

In June 2020, CR released an analysis on the expected benefits of existing safety technologies if they were equipped on the entire fleet of light vehicles in the United States. CR’s study found that full adoption of currently available crash avoidance technologies and other existing safety systems could cut road deaths in half by saving 16,800-20,500 lives per year.¹ Another CR study found that these safety technologies frequently come only with the purchase of a package of expensive add-ons, including features like a premium stereo system or sunroof, which often costs more than \$2,000 extra.² By making existing safety technologies standard on all new cars, Congress would save lives and stop automakers from treating safety as a luxury.

For their part, automated vehicles (AVs) have enormous potential to help make future transportation safer and more accessible, but AV innovation must be accompanied by robust, sensible safety rules if the technology’s full potential is to be realized. Federal AV legislation is likely to bring the most significant changes to federal auto safety laws in decades. Such legislation should include strong safety measures that truly would protect consumers regardless of whether a human or software is doing the driving – and it should not undermine federal safety standards or the authority of state and local governments, nor establish a separate, weaker legal framework for highly automated vehicles. Strong AV legislation also would ensure that the National Highway Traffic Safety Administration (NHTSA) ends its misguided “hands-off” approach to the safety of AVs and vehicles with active driving assistance systems, and instead implements critical measures recommended by the National Transportation Safety Board following crash investigations involving driving automation.³

Additionally, it is important for the Subcommittee to recognize that NHTSA is chronically underfunded, and does not have the resources it needs to fully carry out its mission today – much less in the future, as vehicles become increasingly complex and new regulatory challenges emerge. Every member should support at least doubling NHTSA’s budget and staff resources, and empowering the agency with new tools and authorities so that it can more effectively do its job of protecting the public from death and injury in motor vehicle crashes.

Opportunity #2: Cleaner cars. The current Congress can take pivotal steps to shape a cleaner, more sustainable transportation future. In particular, electric vehicles (EVs) are poised to play an increasingly important role over the coming years. CR is seeing strong consumer interest in electric vehicles in recent surveys, and interest grows even stronger as consumers gain more first-hand experience with these vehicles.⁴ Our research has also shown great potential for EVs

¹ Consumer Reports, “Safety First: Car crashes, innovation, and why federal policy should prioritize adoption of existing technologies to save lives” (June 29, 2020) (online at: [advocacy.consumerreports.org/research/cr-safety-first-car-crashes-innovation-federal-policy-study](https://www.consumerreports.org/research/cr-safety-first-car-crashes-innovation-federal-policy-study)).

² Consumer Reports, “A High Price on Safety: How automakers require consumers to pay a premium for proven vehicle safety features” (June 1, 2020) (online at: [advocacy.consumerreports.org/research/cr-high-price-on-auto-safety-study](https://www.consumerreports.org/research/cr-high-price-on-auto-safety-study)).

³ See, e.g., “Consumer Reports: Uber crash should be ‘a wake-up call’ for companies developing self-driving cars, DOT, and state governments” press release (Nov. 19, 2019) (online at: [advocacy.consumerreports.org/press_release/cr-uber-ntsb-nov-19-2019](https://www.consumerreports.org/press_release/cr-uber-ntsb-nov-19-2019)).

⁴ Consumer Reports, “New Consumer Reports survey finds majority of drivers are interested in electric vehicles” (Dec. 17, 2020) (online at: [advocacy.consumerreports.org/press_release/new-consumer-reports-survey-finds-most-drivers-are-interested-in-electric-vehicles](https://www.consumerreports.org/press_release/new-consumer-reports-survey-finds-most-drivers-are-interested-in-electric-vehicles)).

to deliver consumer savings from lower fuel and maintenance costs.⁵ In addition to pure savings, electric vehicles can also provide consumers with greater resilience to shocks in fuel price and availability that can unexpectedly stress family budgets. Furthermore, recent research from the Insurance Institute for Highway Safety (IIHS) has shown that EVs can deliver on these benefits with no tradeoffs in terms of safety. Congress should support this growing market by extending consumer purchase incentives for EVs while making them more equitable. Congress should also further support the development of a robust national charging network so that electric vehicles can become a convenient choice for all consumers.

However, while EV ownership is likely to increase rapidly, the majority of vehicles sold in the coming decade will still be powered by gasoline. Fortunately, there is still plenty of existing technology that can be deployed on conventional vehicles to reduce fuel consumption and emissions. On average, fuel savings technologies provide three dollars of fuel savings for each dollar of up-front investment.⁶ Given this fact, it will be important for the Environmental Protection Agency (EPA) and NHTSA to set strong fuel economy and greenhouse gas standards that ensure automakers continue to deploy these cost-effective fuel savings technologies while they continue to develop newer and cheaper electric vehicles, so that all consumers have an opportunity to save money and energy.

Opportunity #3: Fairer practices around cars. We recognize that major technological changes are likely to be accompanied by major changes in auto industry business practices, some of which could run counter to fundamental consumer rights. Unfair and deceptive business practices in the automotive marketplace are already an area of attention for the Federal Trade Commission (FTC), but the Subcommittee should help protect consumers both now and in the future by bolstering the Commission’s authorities and resources, and enhancing its practical ability to deter misconduct and compensate consumers for their losses.

Relatedly – and especially given the vast and growing collection of personal information by cars and trucks – all vehicle manufacturers should be required to comply with robust data privacy and security safeguards. Any personal information should only be collected or shared for purposes of delivering the services a consumer has requested, or otherwise at the consumer’s direction, with appropriately tailored exceptions for essential public purposes. Companies should be required to be transparent with consumers about the collection and sharing of information, protect information associated with the vehicle and the vehicle itself from data breaches, share personal information only as directed by the consumer, and provide consumers the ability to access and delete personal information.

Finally, companies in various industries are increasingly adding forced arbitration clauses into their standard contracts and terms of use, stripping consumers of their right to go to court if

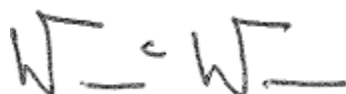
⁵ Consumer Reports, “New analysis from CR finds that the most popular electric vehicles cost less to own than the best-selling gas-powered vehicles in their class” (Oct. 8, 2020) (online at: [advocacy.consumerreports.org/press-release/new-analysis-from-cr-finds-that-the-most-popular-electric-vehicles-cost-less-to-own-than-the-best-selling-gas-powered-vehicles-in-their-class](https://www.consumerreports.org/press-release/new-analysis-from-cr-finds-that-the-most-popular-electric-vehicles-cost-less-to-own-than-the-best-selling-gas-powered-vehicles-in-their-class)).

⁶ Consumer Reports, “New Consumer Reports analysis shows near-freeze of fuel economy rules would cost consumers \$300 billion” (Nov. 13, 2019) (online at: [advocacy.consumerreports.org/press-release/new-consumer-reports-analysis-shows-near-freeze-of-fuel-economy-rules-would-cost-consumers-300-billion](https://www.consumerreports.org/press-release/new-consumer-reports-analysis-shows-near-freeze-of-fuel-economy-rules-would-cost-consumers-300-billion)).

they are harmed by a product or service. Instead, legal disputes get shunted off to private forums where many basic legal protections do not apply, and the company often has an unfair advantage. Typically, the only way for consumers to avoid submitting to forced arbitration is to decline the product or service altogether, which is seldom a practical option. CR has endorsed H.R. 963, the Forced Arbitration Injustice Repeal (FAIR) Act, which would prohibit companies from imposing forced arbitration as a precondition for buying or using a product or service. The bill passed the House last Congress and has been reintroduced in both the House and Senate this year. With consumer use of mobility services and fleet vehicles predicted to increase in the coming years, car companies would be apt, unless prohibited, to employ forced arbitration clauses to shield themselves and block consumers from taking them to court – as several ride-hailing and car-sharing services do today. As a part of your work, we urge you to proactively express your support for a prohibition on forced arbitration clauses in the auto industry and throughout the marketplace.

Thank you for your consideration. We look forward to working with you to ensure that automotive innovation truly serves the public, and comes hand-in-hand with an emphasis on people’s safety, clean air and the climate, and basic marketplace fairness.

Sincerely,



William Wallace
Manager, Safety Policy
Consumer Reports



Christopher Harto
Senior Sustainability Analyst
Consumer Reports

cc: The Honorable Frank Pallone, Jr., Chairman
The Honorable Cathy McMorris Rodgers, Ranking Member
U.S. House Committee on Energy and Commerce

Members of the Subcommittee on Consumer Protection and Commerce