

May 18, 2021

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

The Honorable Gus Bilirakis
Ranking Member
Subcommittee on Consumer Protection
and Commerce
U.S. House of Representatives
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The U.S. Chamber of Commerce's Technology Engagement Center (C_TEC) respectfully submits the following statement for the record for the Consumer Protection and Commerce Subcommittee's hearing titled "Promises and Perils: the Potential of Automobile Technologies."

Our nation's future economic success, growth, and economic competitiveness depends on a thriving and innovative private sector. Every company is a tech company and data-driven innovation is the foundation of businesses across the country. The automobile sector is no different, and the private sector is leading the way on advancing new technologies to increase motor vehicle safety and security, and enhance Americans' mobility options.

In particular, automated vehicles (AV) is a significant and transformative automobile technology, impacting industry sectors ranging from insurance to trucking while providing enormous benefits to consumers and the public at large. We strongly support this Committee's efforts to gain a greater understanding of automobile technologies such as AVs and collaborate towards a bipartisan solution to ensure the safe development, testing, and deployment of AVs.

The introduction of AV will bring several important benefits. First, the most critical benefit is the potential for the technology to reduce traffic fatalities. According to the National Highway Traffic Safety Administration (NHTSA), 36,096 Americans lost their lives in 2019 due to motor vehicle crashes, 94% of which were caused by human error. Second, AVs will empower more Americans to be mobile. Currently, more than six million Americans have a disability impairing their ability to obtain the transportation they need to get to work, shop, and travel. AVs are expected to empower two million Americans with disabilities to become employed as well save \$9 billion in healthcare costs from reducing missed medical appointments stemming from transportation challenges. Finally, the economic potential of automated vehicles is substantial. It is estimated that the annual U.S. customer and public benefits from full AV deployment will reach \$796 billion by 2050.

While the United States currently remains the leader in developing AV technology, American leadership is not guaranteed and is faces challenges by our economic competitors. By 2025, China plans that 30% of all cars sold in China will have some level of automation and is projected to emerge as the largest market for self-driving vehicles at \$500 billion by 2030. Also, Europe is not far behind. According to KPMG's 2020 Autonomous Vehicles Readiness Index, six of the top 10 ranked countries are in Europe.

To ensure continued U.S. global leadership in AV technology, C_TEC strongly encourages Congress to enact legislation to facilitate safe AV development and deployment. In the 115th Congress, the House of Representatives unanimously passed H.R. 3388, the SELF DRIVE Act, which would establish a safe and effective regulatory framework for AVs. At the time, C_TEC applauded the Committee's bipartisan approach to the SELF DRIVE Act, and we encourage the Committee to continue to advance AV legislation on a bipartisan basis.

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

- First, 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 important, C_TEC recognizes that state and local governments should retain existing authority to regulate areas such as automobile dealers, insurance, and local traffic laws.
- Second, legislation should ensure a stakeholder and technology-neutral approach. This approach encompasses both passenger and commercial automated vehicles and provides a level playing field for all industry stakeholders engaging in the testing and development of automated vehicles.
- Third, the modernization of motor vehicle regulations will be required to accommodate advances in AV 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 will create a regulatory environment to further enable widespread AV deployment, Congress should avoid adopting policy proposals that would inadvertently hinder innovation and impede the benefits provided by AVs. 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 burdens, and expand legal liability.

The United States must not cede its competitive edge in the AV revolution, and limit the ability for this technology to save lives and increase mobility for millions of Americans. To ensure continued global leadership in AVs, Congress should advance bipartisan legislation to enable the safe development, testing, and deployment of AVs. C_TEC stands ready to work with the Committee and its members to further AV adoption.

Sincerely,

U.S. Chamber Technology Engagement Center (C_TEC)