

April 5, 2024

Assemblymember Lori Wilson Chair, Assembly Transportation Committee 1021 O Street Sacramento, CA 94249

RE: Assembly Bill 3061: OPPOSE

California Alliance for Freight Innovation

Dear Chair Wilson and Members of the Committee,

The undersigned organizations write to express our concerns with and opposition to AB 3061. We appreciate and support the desire to ensure that autonomous vehicle (AV) testing and deployment in California is conducted in a safe, transparent manner. However, the unworkable provisions imposed by this bill would effectively cut off the nascent AV industry in the state that has been a longstanding leader in AV technology development.

By creating a duplicative reporting structure for AVs that subjects AV manufacturers to large fines, imposes vague data reporting requirements, and allows members of the public to effectively halt AV operations in the state, AB 3061 would stall the industry's progress toward bringing the many benefits of AVs to Californians. Several of our specific concerns are described further below.

Fine Structure. AB 3061 would create a fine structure that requires the Department of Motor Vehicles ("DMV") to impose fines up to \$131 million for a related series of violations. This would detrimentally impact competition in California, particularly due to the ambiguities in the bill regarding the broad circumstances under which a violation could occur, as many companies would be unable or unwilling to risk exposure to such high fines in the course of AV testing and deployment.

Reporting Timelines. As AB 3061 recognizes, AV companies are already subject to detailed data reporting requirements imposed by the National Highway Traffic Safety Administration ("NHTSA") under its Standing General Order 2021-01 ("SGO"). Under Section 2(f) of AB 3061, all reports must be submitted on a timeline adopted by the DMV that "shall be equal to or shorter than the reporting deadlines required by the federal NHTSA." As drafted, it is not clear what timelines must be established by the DMV due to the various time frames applicable to different types of incidents under the SGO which do not clearly correspond to the categories in AB 3061. Specifically, NHTSA's SGO requires AV manufacturers to submit information regarding incidents when an AV's automated driving system ("ADS") is engaged on a few different timelines. Entities subject to the SGO must report:

- 1. Incidents that result in a fatality or serious injury or involve a vulnerable road user within one calendar day;
- 2. Incidents that result in a vehicle tow-away or air bag deployment within five calendar days; and
- 3. Monthly reports of any other incident in which the ADS was engaged within 30 seconds immediately prior to the crash through the conclusion of the crash.

Moreover, because information about these reported incidents-including narratives describing the pre-crash, crash, and post-crash details-is made publicly available on NHTSA's website and is updated regularly, it is unclear what benefit AB 3061 would provide by attempting to create a parallel reporting structure.

Vehicle Performance Data. Section 2(b) would require collision reports to include "vehicle performance data." This term is not defined, and it is not clear what performance data would need to be submitted with a collision report. In addition, protections should be provided for confidential business information ("CBI") reported related to AV performance, consistent with other AV reporting structures in place that provide such protections.

Disengagements. The bill's definition of a "disengagement" includes instances in which a "remote operator" disengages the autonomous system and takes manual control of the vehicle. To the extent disengagements are intended to broadly capture any intervention by a remote operator, it would not be technically or operationally feasible for manufacturers to meet the requirement in Section 2(d) to describe the facts and circumstances of each disengagement.

Traffic Violations. Section 2(c) would require incident reports "related to a traffic violation." As drafted, this appears to require manufacturers to report *any* traffic violation, including events that do not necessarily result in a traffic citation. This is overly broad and would unduly burden AV companies to self-report whenever they believe a violation may have occurred. Moreover, if a manufacturer is unable to accurately capture each potential traffic law violation that does not lead to a citation, they risk inadvertently violating the law, which would expose them to the extraordinarily high fines, as described above.

Public Reports. AB 3061 would permit members of the public to submit evidence of an incident, and then <u>require</u> the DMV to suspend or revoke the AV company's testing or deployment permit while an investigation occurs to determine whether or not the report is credible. As drafted, this process could take up to 30 days. Only if the submission is determined to be credible by the DMV is a manufacturer then provided an opportunity to respond to the report. Moreover, the term "investigation" is undefined and thus any inquiry into an incident report could require the DMV to pause AV operations. As a result, any member of the public can report a potential incident to the DMV, and–even if the report is not accurate or credible–the DMV would need to suspend the manufacturer's permit while it investigates. This proposed

process would neither be workable nor would it enhance safety or transparency; instead, it would allow members of the public to effectively halt AV operations in California.

Additionally, AB 3061 does not establish a process for how the DMV should evaluate the veracity of public reports and disputes of such reports, nor the circumstances under which it should issue fines or permit suspensions or revocations. At minimum, such a process must clarify how manufacturers could dispute claims and provide supporting evidence, as well as clarify the result of a manufacturer responding to a claim by providing their own incident report.

We believe that AV technology will dramatically increase safety on California roads, and that California should continue to support safety-enhancing policies and competition. Unfortunately, for the reasons described above, AB 3061 would not achieve either of these policy objectives. We welcome the opportunity to continue the dialogue around AVs and transparency to help develop a safe and thoughtful approach to AV regulation.

Sincerely,

Autonomous Vehicle Industry Association (AVIA) Alliance for Automotive Innovation California Alliance for Freight Innovation Chamber of Progress California Manufacturers & Technology Association (CMTA) Cupertino Chamber of Commerce Mountain View Chamber of Commerce Spartan Radar TechNet Volvo Autonomous Solutions Volvo Group North America