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CUPERTINO







April 19, 2024

Assemblymember Tasha Boerner Chair, Assembly Communications & Conveyance Committee 1020 N Street, Room 169 Sacramento, CA 95814

RE: Assembly Bill 2286: OPPOSE

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Dear Chair Boerner:

California Alliance for Freight Innovation

The undersigned organizations write to express strong opposition to AB 2286, which would require a human observer to be physically present in all heavy-duty autonomous vehicles ("AV"). An identical bill was vetoed by Governor Newsom last year and would effectively ban autonomous truck deployments in California. We have come together out of our shared commitment to usher in the promise of autonomous trucking through the safe and expeditious deployment of this technology in California. We are also concerned AB 2286 would have a significant, negative fiscal impact on the California Department of Motor Vehicles ("DMV"), California Highway Patrol ("CHP"), and other agencies required to consult with the DMV under the bill. This would unnecessarily divert resources from agencies that are currently performing other valuable law enforcement and safety functions for Californians.

Autonomous trucks will make our roads safer, boost supply chain efficiency, and create new, high-quality career opportunities for California workers. As explained in more detail below, AB 2286 is effectively a permanent ban on driverless trucks that would undermine California's

regulatory process, divert resources away from agencies with expertise to regulate AV technology, block Californians from accessing the benefits of autonomous trucking technology, and further set back the state on this critical innovation.

AB 2286 would thwart California's robust regulatory process. As recognized by Governor Newsom in his veto of this exact bill last year, the Legislature passed a comprehensive legislative framework in 2012, which authorized the testing and deployment of AVs pursuant to regulations adopted by the California Highway Patrol ("CHP") and Department of Motor Vehicles ("DMV"). The Legislature did not distinguish between vehicle classes when it directed the agencies to adopt such regulations, though the regulations currently prohibit heavy-duty AVs from testing or deploying in California. CHP and the DMV—experienced safety regulators that have already established a robust regulatory regime for light-duty AVs—are now engaging on autonomous trucks, with the agencies recently taking critical steps to initiate a rulemaking process that addresses AVs over 10,000 pounds. Notably, there have been only two workshops on AV trucks and *no* draft rules released to react to, and yet AB 2286 takes the draconian step of upsetting this deliberate regulatory process. Indeed, the Department of Finance's analysis of this same bill last year states that the bill "creates a statutory framework for heavy-duty autonomous vehicle testing, which may not be the most appropriate pathway, given that the DMV, in its five years of experience working with light-duty testers, has significant policy expertise on autonomous vehicles[.]" Instead of imposing an ex ante human-driver requirement that would serve only to further forestall heavy-duty AV innovation and investment in the state, the Legislature should allow this public, stakeholder-focused rulemaking process to appropriately take its course.

AB 2286 would divert resources from agencies with expertise to regulate autonomous trucks.

AB 2286 would prevent the DMV from leveraging its years of experience to develop an appropriate framework for heavy-duty AVs, and instead require the agency spend its resources preparing a report for the legislature detailing data on AV truck operations. According to the Department of Finance—which opposed this bill last year—the bill would exacerbate the fiscal pressures on the Motor Vehicle Account, which is expected to be insolvent by the end of 2024-25. The Department of Finance estimated it will cost over \$1 million annually for experts for evaluation of the performance of AV technology and impact on public safety, project management oversight, staff time, and promulgation of regulations associated with disengagement reporting requirements. The DMV would also be required to consult with multiple other California agencies, which is estimated to cost the CHP an additional \$100,000.

The status quo for safety is unacceptable and AB 2286 would lock it in. The National Highway Traffic Safety Administration ("NHTSA") estimates that nearly 43,000 traffic deaths occurred in 2022—approximately 100 fatalities per day. In California alone more than 4,400 lives were lost in motor vehicle crashes in 2022. Nearly 14% of crashes in the United States involve a truck, and 1 in 3 long-haul truck drivers experience a serious crash in their career. In one study, the U.S. Department of Transportation found that drivers of trucks over 10,000 pounds were responsible in

87% of incidents in which the truck caused the crash. Rather than increase barriers to the deployment of heavy-duty AVs, California should support driverless AV operation because AVs do not drive impaired, text while driving, fall asleep at the wheel, or recklessly speed. Indeed, for over a dozen years, AV technology has been tested on America's public roads and maintains a remarkable safety record. Autonomous trucks are safely operating without human drivers across the country, but AB 2286 would prevent California from reaping these safety benefits.

AB 2286 would impose a permanent ban on AV trucks in California. By requiring human operators in autonomous trucks—in perpetuity, and with no articulated path for the state to approve fully autonomous solutions—AB 2286 would impose a clear ban on driverless trucks in California. Accordingly, the measure effectively locks California into the current and unacceptable level of crashes on its roads and ensures that innovative technology developed in California will not be deployed in the Golden State. The current absence of testing and deployment rules for autonomous trucks in California has already pushed California-based companies to innovate and create jobs in other states that are leading the way, while precluding California consumers, businesses, and its supply chain from realizing the benefits of this critical technology.

California would continue to fall even further behind other states on autonomous trucking innovation. California was among the first states to adopt a comprehensive legislative framework for AV testing and deployment over a decade ago. AV technology has since been tested and deployed in states across the country and across modalities, and it maintains an incredible safety record. Other states have taken notice, and now, a majority of U.S. states have recognized the numerous benefits of AVs by authorizing AV deployment, including deployment of autonomous trucks. Requiring a human driver to remain in AVs that weigh 10,000 pounds or more would deviate from the overwhelming majority of states' approaches to AV regulation and California would stand alone as the *only* state to single out autonomous trucks and bar them from effectively deploying in the state.

AVs will create new, high-quality jobs. In addition to enhancing safety on our roadways, the AV industry is currently leveraging the existing workforce to create new roles for different education and skill levels. Many of the jobs created will not require a college degree, such as service technicians, remote assistance operators, mapping data collectors, and delivery packers. Workers with experience in the trucking industry specifically, particularly as truck drivers, offer valuable skills to AV trucking employers. Make no mistake: America's truck drivers and autonomous trucks will coexist and thrive together in the future. Federal government data shows our country must move 50% more freight by 2050. Californians have already been negatively impacted by the supply chain crisis at current freight levels. Unfortunately, the U.S. trucking industry is currently short of an estimated 78,000 truck drivers due to a long-term decline in new drivers entering the profession, and an annual turnover rate exceeding 90%. This truck driver shortage is estimated to reach 160,000 in 2031. California must find ways to move *more* freight with *fewer* truck drivers to do it. We believe autonomous trucks are one part of the suite of solutions and that autonomous trucks will augment the important work that truck drivers do for our country. We also believe autonomous

trucks will help to increase quality of life for workers in the logistics industry and develop a strong workforce.

Autonomous trucks will bring economic and supply chain efficiency benefits. Autonomous heavy-duty vehicles that operate in interstate commerce will fundamentally change the manner and speed in which goods move in our country while making roads safer for everyone. This technology also presents an array of environmental benefits, including greater fuel efficiency, more efficient use of physical infrastructure, reduced congestion, and reduced agricultural spoilage and related preservation of soil and water resources. Moreover, autonomous long-haul trucking has the potential to broadly benefit the economy by improving the efficiency of countless industries that rely on moving goods on trucks, such as agriculture, retail, and manufacturing. According to a study funded by the U.S. Department of Transportation and Federal Highway Administration, automating long-haul trucking will spur \$111 billion in aggregate investment spending across the U.S. economy, and will increase total U.S. employment by 26,400 to 35,100 jobs per year on average. In California specifically, one study found that autonomous trucking technology can add \$6.5 billion in economic activity to the state, while bringing greater efficiency to our supply chain, spurring wage gains and job growth.

Autonomous trucks will usher in a new era of mobility that makes California's transportation system safer, more efficient, and more accessible. We strongly believe California should continue to support safety-enhancing policies without foreclosing a future with autonomous trucks. For the reasons described above, we respectfully strongly oppose AB 2286.

Sincerely,

Autonomous Vehicle Industry Association (AVIA)

Aurora

AUVSI

Bay Area Council

CA Delivery Association

CA Hispanic Chamber of Commerce

California Alliance for Freight Innovation

California Chamber of Commerce

California Clothing Recyclers

California Manufacturers & Technology Association (CMTA)

Central City Association of Los Angeles

Central Valley Yemen Society

Chamber of Progress

Coalition of Small & Disabled Veteran Businesses

Consumer Technology Association

Cupertino Chamber of Commerce

Daimler Truck North America

Einride Autonomous Technologies

Fairfax Lumber & Hardware

Flasher Barricade Association

Gatik

Inland Empire Economic Partnership

Kodiak

Latin Business Association (LBA)

Los Angeles County Business Federation (BizFed)

Luminar

MEMA, The Vehicle Suppliers Association

Mountain View Chamber of Commerce

National Federation of Independent Business (NFIB) - California

Navistar, inc.

Palo Alto Chamber of Commerce

Plus AI

Relles Florist

Si Se Puede!

Spartan Radar

Stack AV

Star Milling Co

SVLG

TechNet

Tesla

Torc Robotics

Uber

Valley Industry & Commerce Association

Volvo Autonomous Solutions NA, Inc.

Volvo Group North America

Waabi Innovation

World Blind Union