

Autonomous Vehicles

Clear, Nonprescriptive Rules Can Foster State Leadership

Summary

In addition to dramatically improving public safety and reducing traffic congestion, testing and deploying autonomous vehicles in California will generate new jobs and further stimulate ongoing economic development of the automotive and technology industries in the state. Autonomous vehicle technology will also create economic opportunity by offering new transportation solutions for employees commuting to and from work—an important benefit for both employers and their employees. Additionally, for businesses, this technology allows them to continue to innovate, create jobs and grow California’s economy.

Background

The first piece of legislation enacted on developing and deploying autonomous vehicles (AVs) was SB 1298. SB 1298 (Chapter 570; Statutes of 2012) required the Department of Motor Vehicles (DMV) to adopt regulations necessary to ensure the safe operation of autonomous vehicles on public roads, with or without the presence of a driver inside the vehicle.

The definition of an AV in California is: “A vehicle equipped with autonomous technology that has the capability to drive a vehicle without the active physical control or monitoring by a human operator.” There are six levels of AVs:

- Level 0: No Automation—vehicles issue warnings and may momentarily intervene;
- Level 1: Drive Assistance—Driver and system share control over the vehicle. Examples are Adaptive Cruise Control or parking assistance;
- Level 2: Partial Automation—The automated system takes full control of the vehicle and the driver must monitor the system and be ready to intervene at any moment;
- Level 3: Conditional Automation—The driver can safely turn attention to other tasks.
- Level 4: High Automation—Similar to Level 3, but no attention is ever required for safety.
- Level 5: Full Automation—At this level, a steering wheel is optional.

Regulations for testing AVs went into effect in September 2014. Currently, 45 companies hold permits to test AVs on roadways in California. Several states, including California, have or are in the process of addressing barriers to driverless AV deployment.

Regulatory Environment

The DMV is responsible for promulgating regulations for both governing and testing autonomous vehicles with and without human drivers. The autonomous vehicle regulations for testing became effective September 16, 2014. The regulations for deploying autonomous vehicles are under development; the most recent draft regulatory document was released on October 11, 2017.

This rulemaking process has been underway for a number of years, and the DMV has made a lot of progress in developing and improving the regulations. Should DMV finalize the proposed regulations in their current form, there will be a path to deployment of driverless AVs in California. Laws and regulations at all levels of government assume that a human driver will be physically present in every motor vehicle. These assumptions create ambiguity as to whether a fully self-driving vehicle, without a human driver, may be deployed, and in some cases these assumptions create outright barriers to driverless deployment.

The business community has advocated throughout the regulatory process for clear rules for developers and manufacturers and safeguards against a patchwork of conflicting rules that will stall progress and push jobs and innovation out of California. There has been a fear of regulations moving forward with a patchwork of conflicting regulations at the local government level. A consistent regulatory framework is needed to avoid delays and disruption of AV testing and deployment in California.

Action at the Federal Level

At the federal level there also are issues to address, particularly for vehicles without conventional controls, such as a steering wheel or pedals. The U.S. Department of Transportation (DOT), National Highway Traffic Safety Administration, and Congress are aware of these issues and have taken steps to begin removing barriers. For example, the U.S. House of Representatives passed an AV bill in September 2017 (SELF DRIVE Act) with bipartisan support, and in the U.S. Senate, a similar (but not identical) AV bill (AV START Act) was unanimously reported out of the Senate Commerce Committee in October 2017.

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The SELF DRIVE Act requires the DOT to complete research to determine the most cost-effective method and terminology for informing consumers about the capabilities and limitations of AVs or vehicles that have partial AV functions. Upon completion of this research, the DOT will initiate rulemaking to require manufacturers to inform consumers about AV options.

Anticipated Action in 2018

The proposed AV regulations at the DMV should be finalized in 2018. Once AV regulations permit deployment of AVs, it is anticipated that the California Public Utilities Commission, the regulatory body responsible for governing certain aspects of transportation services, will consider how to address AV use that falls within its jurisdiction, such as the use of autonomous vehicles for passenger transportation service, like a transit network carrier.

CalChamber Position

Creating a path to deploying autonomous vehicles without human drivers shows that California is interested in the future of autonomous vehicles in the state. Other states are taking steps to encourage the development of this technology without creating a prescriptive and burdensome regulatory environment. It is critical that final regulations facilitate—not impede—the continued safe testing and, ultimately, deployment of autonomous vehicles.

The California Chamber of Commerce supports advancements in autonomous vehicle technology and opposes overly burdensome rules and regulations that threaten to stymie California's position as a leader in developing, testing and producing these vehicles.

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