



ADVOCATES  
FOR HIGHWAY  
& AUTO SAFETY

**STATEMENT OF JACQUELINE S. GILLAN**

**PRESIDENT**  
**ADVOCATES FOR HIGHWAY AND AUTO SAFETY**

**ON**

**“SELF-DRIVING VEHICLE LEGISLATION”**

**SUBMITTED TO THE**

**COMMITTEE ON ENERGY AND COMMERCE**  
**SUBCOMMITTEE ON DIGITAL COMMERCE AND CONSUMER**  
**PROTECTION**

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## **Introduction**

Advocates for Highway and Auto Safety (Advocates) is a coalition of public health, safety, and consumer organizations, insurers and insurance agents that promotes highway and auto safety through the adoption of federal and state laws, policies and regulations. Advocates is unique both in its board composition and its mission of advancing safer vehicles, safer drivers and safer roads. We respectfully request that this statement and the comments Advocates submitted to the public docket in response to the National Highway Traffic Safety Administration (NHTSA) “Federal Automated Vehicles Policy” (AV Guidelines) Notice and Request for Comments,<sup>i</sup> which are attached, be included in the hearing record.

Advocates has significant safety and consumer concerns about the draft bills put forth by the Subcommittee on Digital Commerce and Consumer Protection and urges the Subcommittee and the Committee on Energy and Commerce as they move forward to consider the recommendations put forth in this statement. An analysis of each draft bill is attached at the end of this statement. Overall, the draft legislation includes provisions that would almost certainly guarantee broad and dangerous safety exemptions without limitations on the number, scope and time period; unacceptable language pre-empting state action to protect the public in the absence of federal oversight and accountability; no requirements for the industry to show that new technologies have been adequately tested before being sold to the public; no requirements for any oversight by NHTSA before technology is deployed; and, no assurances for transparency for non-proprietary data.

While we see great potential for the future of autonomous vehicles (AVs), basic safeguards and reasonable industry accountability are essential. Testing and government oversight will not inhibit technological creativity and innovation but without them, it will inhibit and threaten public protection and acceptance.

### **Motor Vehicle Deaths are Climbing**

According to the federal government, each year motor vehicle crashes kill tens of thousands and injure millions more at a cost to society of over \$800 billion.<sup>ii</sup> Unfortunately, deaths resulting from motor vehicle crashes are on the rise. According to NHTSA, in 2015 our nation experienced the largest percentage increase of motor vehicle deaths in nearly fifty years.<sup>iii</sup> More than 35,000 people were killed on our nation's roads, representing a 7.2 percent upturn.<sup>iv</sup> Preliminary information for the first nine months of 2016 appears to be even worse, indicating an 8 percent rise in fatalities compared to the same time period in 2015.<sup>v</sup> Advocates firmly believes that AV technology has the potential to make significant and lasting reductions in this mortality and morbidity toll.

### **Advocates Has Consistently Promoted Advanced Technologies in Vehicles to Save Lives and Prevent Injuries**

Advocates has always enthusiastically championed vehicle safety technology and for good reason. It is one of the most effective strategies for preventing deaths and injuries. NHTSA has estimated that since 1960, over 600,000 lives have been saved by motor vehicle safety technologies.<sup>vi</sup> In 1991, Advocates led a coalition to advance an airbag mandate and former Senators John Danforth (R-MO) and Richard Bryan (D-NV) and former Representatives Matthew Rinaldo (R-NJ) and Henry Waxman (D-CA) worked to include the mandate in the historic first bipartisan surface transportation bill, the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991.<sup>vii</sup> As a result, by 1997, every new car sold in the United States

was equipped with a front seat airbag and the lives saved have been significant. In fact, airbags save over 2,000 lives annually.<sup>viii</sup>

Advocates continued to build on this success by supporting additional lifesaving technologies as standard equipment in all vehicles in other legislation and regulatory proposals. These efforts included: tire pressure monitoring systems;<sup>ix</sup> rear outboard 3-point seat belts;<sup>x</sup> electronic stability control;<sup>xi</sup> rear seat belt reminder systems;<sup>xii</sup> rear view cameras;<sup>xiii</sup> brake transmission interlocks;<sup>xiv</sup> seat belts on motorcoaches;<sup>xv</sup> electronic logging devices;<sup>xvi</sup> and, crash avoidance systems such as automatic emergency braking.<sup>xvii</sup> These safety advances have saved hundreds of thousands of lives and have been accomplished because of the bipartisan leadership of the Members of the House Energy and Commerce Committee.

### **NHTSA Has a Statutory Duty to the Public to Ensure the Safety of Autonomous Vehicles**

Fifty years ago, Congress passed the National Traffic and Motor Vehicle Safety Act of 1966 because of concerns about the death and injury toll on our highways.<sup>xviii</sup> The law required the federal government to establish federal motor vehicle safety standards (FMVSS) to protect the public against “unreasonable risk of accidents occurring as a result of the design, construction or performance of motor vehicles.”<sup>xix</sup> While motor vehicles have changed dramatically since that time and will continue to do so in the future, the underlying premise of this prescient law and NHTSA’s safety mission have not.

Unfortunately, NHTSA has chosen to issue only “voluntary guidelines” for the development of AVs. Voluntary guidelines are not legally binding, are unenforceable and, therefore, are inadequate to ensure safety and protect the public. Manufacturers may choose to deviate from the guidelines or ignore them entirely at any time and for any reason including internal corporate

priorities such as cost or marketing considerations. In addition, some entities may choose to follow the guidelines while others may not, creating a dangerous patchwork of noncompliance. Consumers and NHTSA also have limited legal recourse against a manufacturer's failure to follow the guidelines. NHTSA cannot bring an enforcement action, force a statutory recall, or even influence a voluntary recall for failure to abide by the guidelines.

**A Functional Safety Approach is Essential to Provide the Framework for the Design, Development and Deployment of Autonomous Vehicle Technology**

Before the widespread introduction of AV technology to the commercial marketplace and deployment on public roads, NHTSA must establish basic safeguards to protect the public.

Advocates strongly recommends that AV manufacturers be required to meet a “functional safety standard” to guarantee safety to the maximum extent feasible of the overall system performance.

While manufacturers will still have to certify vehicles meet all applicable FMVSS that address the mechanical operation of vehicle safety systems, a functional safety standard would apply to the AV operating system to ensure that the controlling software performs as designed.

Functional safety is a well-known process by which a product is designed, developed, manufactured and deployed to ensure that the product, as a whole, will function safely, as intended, and will prevent or mitigate misuse which could lead to unsafe conditions. A similar process is currently utilized by the Federal Aviation Administration (FAA) in portions of its regulations to ensure safety while encouraging innovation.<sup>xx</sup>

Additionally, the submission of a Safety Assessment Letter (SAL) must be mandatory and not at the whim or choice of a manufacturer. There is too much at stake to allow optional and discretionary adherence. Under a functional safety standard, a manufacturer must certify to

NHTSA through the mandatory submission of a SAL that the AV has been tested to ensure that it will operate properly and safely under the conditions the vehicle is designed to encounter (i.e., congestion, weather and road conditions, human/machine interface and vehicle interaction with other road users, etc.). The mandatory submission of the SAL should include all information required by the Secretary of Transportation including test results and data to support the conclusion that the AV system functions as designed. This submission should also include any negative test results and data that may indicate the AV system did not always function as designed along with information and data indicating how these issues were resolved by the manufacturer. In addition, any and all documentation regarding how cybersecurity threats were addressed should be included.

Prior to introduction of the AV system into the stream of commerce, NHTSA would review the SAL, test results and data, and then consult with the manufacturer. The manufacturer would be required to respond to any questions or concerns from the agency. This process is intended to allow NHTSA to bring to the manufacturer's attention any issues and/or problems the agency identifies in the SAL information, tests results and data supplied by the manufacturer prior to introduction of the AV system into the marketplace. This process would provide NHTSA with technical information about products coming to market and provide AV manufacturers with technical feedback in an efficient and effective process. The SAL and the questions raised by NHTSA, however, are not intended as pre-market approval. The manufacturer, after having responded to the agency's inquiries, may introduce the AV system into the stream of commerce.

### **Additional Authorities and Resources are Critical**

Regulating AVs presents unique challenges for NHTSA, and those issues warrant the agency being given additional tools to protect against potentially catastrophic defects. Flaws or viruses

in computer software of AVs could adversely affect thousands of vehicles simultaneously. The NHTSA, therefore, must be given imminent hazard authority in order to expedite the grounding of vehicles that the agency has identified as having a potentially dangerous software problem that could lead to crashes, deaths and injuries. Also, because of the potential serious nature of any software problem that could affect thousands of vehicles and result in deaths and injuries, the ability to levy criminal penalties is essential. Criminal penalties will deter manufacturers and suppliers from knowingly and willfully permitting the manufacture and sale of AV systems with flawed software operating systems that could pose a danger to human life in the event of a crash.

Providing further broad statutory exemptions from the FMVSS for AVs is both unnecessary and unwise. There is already a statutory process in place for manufacturers to seek an exemption from the FMVSS that Congress enacted only two years ago. Pursuant to Section 24404 of the Fixing America's Surface Transportation (FAST) Act<sup>xxi</sup> codified at 49 USC Section 30112(b)(10), manufacturers of AVs are permitted an unlimited number of vehicles that can be exempt from one or more of the FMVSS for testing or evaluation. Exempt vehicles under this provision may not be sold or resold to the public. Furthermore, under 49 USC Section 30113 a manufacturer may receive an exemption from compliance with the FMVSS for the sale of a vehicle for not more than 2,500 vehicles to be sold in the United States in any 12-month period. Until a functional safety standard is applied to AVs, this cap should not be raised from its current level.

Manufacturers may seek appropriate exemptions under the current process until NHTSA revises the FMVSS for level 4 and 5 AVs. However, while level 4 and 5 AVs may be exempt from parts of certain FMVSS or other regulations, much of the performance standards for safety systems

would still apply. For example, even if a brake pedal is not needed for AV control, the rest of the brake system requirements in FMVSS 135 will still be needed to ensure the AV controls can stop the vehicle within the required stopping distance. Even for level 4 and 5 AVs, manufacturers will still have to certify to most performance requirements of the existing FMVSS. However, because level 2 and 3 AVs will still require significant operation by a human driver, these vehicles should not be exempt from compliance with the current body of FMVSS and regulations.

Vehicle and technology companies are already putting some AVs out on public roads and beginning to market these systems to the public. The development of AV technology is not just taking place in the United States. In fact, AVs are being tested throughout the globe in places such as the United Arab Emirates and Singapore.<sup>xxii</sup> Vehicles imported from overseas have to meet the requirements of the FMVSS. However, if only voluntary guidelines are in place for AVs, foreign companies and entities may export products that are dangerously unsafe and NHTSA will have little recourse. In addition, some in the motor carrier industry have predicted that automated technology will be placed in trucks before passenger vehicles.<sup>xxiii</sup> The potential for an 80,000 pound rig using untested and unregulated technology on public roads is a very real scenario if NHTSA continues to merely rely on voluntary guidelines to ensure the safety of automated motor vehicle technology.

It is essential that NHTSA adopts a functional safety standard to minimize public exposure to unreasonable risks of motor vehicle crashes involving these experimental systems. For example, the fatal crash of a Tesla Model S in Florida in May 2016, could have been averted had a functional safety standard required due diligence testing of the Autopilot System prior to

deployment. The driver was using the Tesla Autopilot system when the vehicle passed under the side of a truck trailer that was turning across the highway, resulting in the fatality of the driver. After the crash, Tesla admitted to NHTSA that it had considered misuse of the Autopilot system including distracted driving and the use of the system outside preferred environments and conditions. Under a functional safety standard, if the misuse was foreseeable, Tesla would be required to address the misuse and submit documentation to NHTSA in a SAL that the vehicle was safe.

### **Recommendations:**

- **NHTSA must require that manufacturers meet a “functional safety standard” to guarantee safety of AVs before they are introduced into the marketplace.**
- **Manufacturers must be required to submit a Safety Assessment Letter (SAL) that confirms that the AV has been tested to ensure it operates safely. The SAL should include all of the test results and data to support the conclusion that the AV system functions as designed.**
- **NHTSA should be given the additional tools of imminent hazard authority to protect against potentially catastrophic defects with AVs and criminal penalties to ensure manufacturers do not willfully mislead or misinform the agency.**
- **Providing further broad statutory exemptions from the FMVSS for AVs is both unnecessary and unwise. Until NHTSA revises the FMVSS for level 4 and 5 AVs, manufacturers may seek appropriate exemptions under the current process expanded by Congress in the FAST Act (Pub. L. 114-94).**

### **Autonomous Vehicles Must Have Adequate Cybersecurity and Privacy Standards to Protect the Public and Must Share Information on Critical Events**

A failure to adequately secure AV systems and to protect against cyber-attacks could endanger AV passengers, non-AV motorists, pedestrians, bicyclists and other vulnerable roadway users. It could also clog roads, stopping the movement of goods and hindering the responses of emergency vehicles. NHTSA should identify cybersecurity problem areas and require specific responses from manufacturers as to how those are being addressed. Problem areas could include subjects such as global positioning system (GPS) signal loss or degradation, spoofing, and off-

line and real time hacking of single vehicles or fleets of vehicles. AV cybersecurity should be tested as part of the functional safety standard to ensure that the vehicle cybersecurity system operates as designed. The potential and real risk of a malevolent computer hack impacting hundreds or thousands of AVs, perhaps whole model runs, makes strong cybersecurity protections a crucial and essential element of AV design.

Additionally, data sharing among manufacturers is essential to improve overall safety among AVs. Data and information about known flaws or problems encountered during development and while in use must be shared among manufacturers and with NHTSA and the public to ensure that all AV systems are learning about problems in real time and can benefit from the experience of other AV systems. This type of collaborative development is already taking place in the industry with the creation of the Automotive Information Sharing and Analysis Center (ISAC). Data sharing will expedite solutions to unusual or unique safety problems and ensure they are readily identified and corrected.

Similarly, AVs should be subject to binding privacy standards to ensure that data is not abused. The recording and sharing of data will be critical to achieving the safest performance of AVs. Keeping the public informed as to the importance of sharing data and ensuring their privacy will also be critical to ensure public participation and acceptance. The industry and regulators must guarantee that data is protected and only used for the purposes of improving safety, and not for other commercial uses, such as the marketing of products based on vehicle location, which could turn the public against data sharing.

### **Recommendations:**

- **AVs must have adequate cybersecurity and privacy standards to protect the public.**
- **AVs should be subject to binding privacy standards to ensure that consumer data is not used for purposes other than improving the safety and security of AVs.**

### **The Development of Autonomous Vehicles Must Be Transparent or Public Confidence in the Technology Will Suffer**

The development and deployment of AVs as well as NHTSA's role in regulating this technology must be open and transparent. All non-proprietary communications and responses between the agency and a manufacturer as it relates to any issues involving AVs must be made available for public review, scholarly research and safety analysis by independent stakeholders. All data generated from the testing and deployment of AVs, except for trade secrets and private individual information, must also be made public. Lack of transparency will severely undermine the public's confidence in this new technology and inhibit its widespread adoption.

Opinion polls already show public skepticism and hesitation about AVs and those doubts are surely warranted. Over the last few years, automakers have hidden from the American public and regulators safety defects that have led to numerous unacceptable and unnecessary deaths and injuries as well as the recall of tens of millions of vehicles. Consumer acceptance of this technology is critical to the success of fully realizing the lifesaving potential of AVs. Trial by error on public roads and risking public safety is neither the appropriate nor the responsible approach to encouraging the development and deployment of AVs. In fact, a national survey commissioned by Kelley Blue Book found that a large portion of the public is resistant to accepting AVs. Fifty-one percent of respondents replied that they prefer to have full control of their vehicle, even if it's not as safe for other drivers. Additionally, awareness of the higher

levels of vehicle autonomy is limited, with 6 out of 10 people saying they know little or nothing about AVs. For half of the respondents, the perception of safety and personal comfort with autonomous technology diminished as the level of autonomy increased. In fact, 80 percent believed that people should always have the option to drive themselves, and nearly one in three respondents said they would never buy a level 5 autonomous vehicle.<sup>xxiv</sup>

A recent study conducted by the Massachusetts Institute of Technology garnered similar results. Only 13 percent of those polled reported that they would be comfortable with vehicle “features that completely relieve the driver of all control for the entire drive.”<sup>xxv</sup> In addition, 59 percent of respondents reported that the maximum level of automation that they would be comfortable with were “features that actively help the driver, while the driver remains in control.”<sup>xxvi</sup> The reluctance and hesitation of the public to embrace AVs will not be abated if the technology fails, the government regulators are viewed as standing on the sidelines and manufacturers have not done due diligence in conducting adequate testing before rushing to the marketplace. Consumers expect, and in fact, demand that the federal government prohibit the introduction of dangerous products to the marketplace whether it be food, drugs, toys, or driverless cars.

**Recommendation:**

- **All non-proprietary communications and responses between the agency and a manufacturer as it relates to any issues involving AVs must be made available for public review, scholarly research and safety analysis by independent stakeholders.**

**States Must Not be Preempted from Acting to Protect their Citizens Especially in Light of NHTSA’s Failure to Regulate Automated Vehicles to Date**

Advocates agrees with the statutory mission of NHTSA to regulate the design and performance of motor vehicles to ensure public safety which, in modern day terms, includes autonomous vehicles and technology. However, unless and until NHTSA issues comprehensive standards and

regulations to govern the AV rules of the road, states have every legal right, indeed a duty to their citizens, to fill the regulatory vacuum with state developed proposals and solutions for ensuring public safety. NHTSA, by issuing only guidelines, has left the field of AV safety open to the states to fulfill their traditional role of protecting the health and welfare of their citizens. As the National Conference of State Legislatures (NCSL) noted in its comments to NHTSA's guidelines, "Without any indication on forthcoming federal regulations regarding the safe operation of HAVs, states may be forced to fill the gap in order to ensure the safety of public roadways."<sup>xxvii</sup> Moreover, the Pennsylvania Department of Transportation stated in its comments to the guidelines that "Yes, there should be consistent treatment of highly automated vehicles nationwide. However, where the adoption of 'safety standards' being applied to highly automated vehicle testing is totally voluntary (as opposed to self-certifying as against a regulatory framework in the FMCSS) [sic], what level of comfort does that give to the states and their citizens that their transportation and law enforcement agencies are properly discharging their duty to ensure that highly automated vehicles are in fact safe?"<sup>xxviii</sup>

**Recommendation:**

- **Until NHTSA issues comprehensive standards and regulations to govern the AVs, states must not be precluded from filling the regulatory void with state developed solutions to protect their citizens.**

**NHTSA Needs Additional Resources**

The increase in motor vehicle fatalities combined with the demands being placed on NHTSA with regards to the advent of AV technology necessitates an increase to the agency budget.

While the FAST Act did provide some additional resources, it is still inadequate to manage the myriad of challenges facing the agency. Today, 95 percent of transportation-related fatalities, and 99 percent of transportation injuries, involve motor vehicles on our streets and highways.

Yet, NHTSA receives only one percent of the overall U.S. Department of Transportation (DOT)

budget. NHTSA will face even greater challenges in the future as AVs continue to develop and are introduced into the market. For NHTSA to exercise proper oversight over AVs, the agency will need to hire more staff with technical expertise. Moreover, given that crashes impose a comprehensive cost to society of \$836 billion, \$242 billion of which is direct economic costs such as lost productivity, medical costs and property damage, it is critical to advance serious measures to combat a serious problem.<sup>xxix</sup>

**Recommendation:**

- **NHTSA must be given additional funding in order to meet demands being placed on the agency with regard to the advent of AV technology.**

**Conclusion**

Autonomous vehicles have the potential to change our nation's ability to protect motorists and other road users. Unfortunately as the staff drafts currently exist, they appear to be written for industry to enable a rush to market at the potential risk of significant danger to all those on the roads. Last week's National Transportation Safety Board (NTSB) release of factual reports on the Tesla crash exemplifies the serious deficiencies in the bills to provide the public with any safety protections.

It is critically important that we do everything possible to advance this life-saving technology in as safe and expeditious manner possible. Advocates believes that AVs will not only change our lifestyles but it may, once and for all, change our ability to achieve meaningful and lasting reductions in the death and injury toll on our streets and highways.

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- <sup>i</sup> 81 F.R. 65703 (Sept. 23, 2016); DOT Docket No. NHTSA-2016-0090.
- <sup>ii</sup> The Economic and Societal Impact of Motor Vehicle Crashes, 2010 (Revised), HS 812 013, U.S. DOT, NHTSA (May 2015 (Revised)), available at <http://www-nrd.nhtsa.dot.gov/Pubs/812013.pdf>. (NHTSA Cost of Motor Vehicle Crashes Report).
- <sup>iii</sup> National Center for Statistics and Analysis, *2015 motor vehicle crashes: Overview*, Report No. DOT HS 812 318, National Highway Traffic Safety Administration (Aug. 2016).
- <sup>iv</sup> *Id.*
- <sup>v</sup> National Center for Statistics and Analysis, *Early Estimate of Motor Vehicle Traffic Fatalities for the First 9 Months of 2016*, Report No. DOT HS 812 358, National Highway Traffic Safety Administration (Jan. 2017).
- <sup>vi</sup> Lives Saved by Vehicle Safety Technologies and Associated Federal Motor Vehicle Safety Standards, 1960 to 2012, DOT HS 812 069 (NHTSA, 2015); See also, NHTSA AV Policy, Executive Summary, p. 5 endnote 1.
- <sup>vii</sup> Pub. L. 102-240 (Dec. 18, 1991).
- <sup>viii</sup> National Center for Statistics and Analysis, *Lives Saved in 2015 by Restraint Use and Minimum-Drinking-Age Laws*, National Highway Traffic Safety Administration, Report No. DOT HS 812 319 (Aug. 2016).
- <sup>ix</sup> Transportation Recall Enhancement, Accountability, and Documentation (TREAD) Act, Pub. L. 106-414 (Nov. 1, 2000).
- <sup>x</sup> Anton’s Law, Pub. L. 107-318 (Dec. 4, 2002).
- <sup>xi</sup> Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), Pub. L. 109-59 (Aug. 10, 2005).
- <sup>xii</sup> *Id.*
- <sup>xiii</sup> Cameron Gulbransen Kids Transportation Safety Act of 2007, Pub. L. 110-189 (Feb. 28, 2008).
- <sup>xiv</sup> *Id.*
- <sup>xv</sup> Moving Ahead for Progress in the 21st Century (MAP-21) Act, Pub. L. 112-141 (Jan. 3, 2012).
- <sup>xvi</sup> *Id.*
- <sup>xvii</sup> Petition for Rulemaking, *Requesting Issuance of a Rule to Require the Use of Forward Collision Avoidance and Mitigation Systems for Commercial Motor Vehicle*, filed by Advocates for Highway and Auto Safety, the Center for Auto Safety, the Truck Safety Coalition and Road Safe America, dated Feb. 19, 2015.
- <sup>xviii</sup> Pub. L. 89-563 (Sept. 9, 1966).
- <sup>xix</sup> Title 49, U.S.C. Sec. 30102.
- <sup>xx</sup> See, e.g., 14 USC Subpart F – Equipment, §§ 25.1301, *Function and installation*, and 25.1309, *Equipment, systems, and installations*.
- <sup>xxi</sup> Pub. L. 112-141 (Dec. 4, 2015).
- <sup>xxii</sup> 2025 AD Newsletter, MIDDLE EAST COMBATS ROAD DEATHS WITH DRIVERLESS CARS (Nov. 2016) available at: <https://www.2025ad.com/the-week-in-ad/arab-emirates-driverless-cars/>; Andrew Hawkins, *One of Europe’s largest carmakers will test its self-driving cars in Singapore*, The Verge (May 3, 2017).
- <sup>xxiii</sup> Seth Clevenger and Eric Miller, *ATA’s Chris Spear Calls for Industry to Embrace Technology*, Transport Topics (Mar. 2, 2017).
- <sup>xxiv</sup> Kelly Blue Book, *Future Autonomous Vehicle Driver Study* (Sept. 2016).
- <sup>xxv</sup> H. Abraham, B. Reimer, B. Seppelt, C. Fitzgerald, B. Mehler & J. Coughlin, *Consumer Interest in Automation: Preliminary Observations Exploring a Year’s Change*, Massachusetts Institute of Technology, AgeLab, White Paper (2017-2), p. 6 (May 2017).
- <sup>xxvi</sup> *Id.*
- <sup>xxvii</sup> William T. Pound, Executive Director, National Conference of State Legislatures, *Public Comments on Federal Automated Vehicles Policy*, Docket No.: NHTSA-2016-0090 (Nov. 21, 2016).
- <sup>xxviii</sup> Leslie R. Richards, Secretary of Transportation, Commonwealth of Pennsylvania, *Letter to Secretary Foxx and Administrator Rosekind*, Docket No.: NHTSA-2016-0090 (Nov. 21, 2016).
- <sup>xxix</sup> NHTSA Cost of Motor Vehicle Crashes Report.



## DCCP Subcommittee Majority Staff Autonomous Vehicle Legislation

**LEADER Act:** Amends the current preemption provision, 49 USC Sec. 30103, to preclude States and political subdivisions of States from regulating Automated Vehicles (AV) systems and vehicle equipment related to AV systems.

- In the absence of NHTSA issuing any regulations or standards for AVs, states must have the ability to regulate AVs as they see fit to ensure public safety.

**PAVE Act:** Expands limitation on exempt vehicles under 49 USC Sec. 10313(d), Eligibility, to not more than 100,000 vehicles for applications made under Sec. 30113(b)(3)(B)(ii), (iv), (v) and (vi).

- Exemptions to Federal Motor Vehicle Safety Standards (FMVSS) for AVs should only be for testing. Exemptions from crashworthiness and occupant protection aspects of FMVSS should not be permitted. Any FMVSS exemptions must not reduce the crashworthiness/occupant protection performance of the vehicle. FMVSS exemptions for level 2 and 3 AVs must not allow changes which impair the ability of the driver to conduct the dynamic driving task.
- Exemptions should be limited to a reasonable number of vehicles. The exemption available to manufacturers under 49 USC Sec. 30113 is limited to 2,500 vehicles per manufacturer in a 12-month period.

**ROAD Act:** Extends the maximum period for exemptions granted under 49 USC Sec. 30113(b)(3)(B)(ii), (iv), (v) and (vi) to five (5) years instead of two (2) years.

- Exemptions for AVs from FMVSS should be limited to 2 years. AV technology is rapidly changing and allowing an exemption to last 5 years will allow for dangerously outdated technology/vehicles to remain on the road.
- Again, exemptions to FMVSS for AVs should only be for testing not for sale and appropriately limited in scope. Exemptions from crashworthiness and occupant protection aspects of FMVSS should not be permitted. Exemptions must not reduce the crashworthiness/occupant protection performance of the vehicle. FMVSS exemptions for level 2 and 3 AVs must not allow changes which impair the ability of the driver to conduct the dynamic driving task.

**EXEMPT Act:** Adds to reasons for which exemptions may be granted under 49 USC Sec. 30113(b)(3)(B) “(v) promote the public adoption and acceptance or facilitate meaningful commercial deployment of a new motor vehicle safety feature or system” and “(vi) the exemption would promote transportation access to individuals with disabilities.”

- Outrageously broad standard for granting an exemption.
- Again, exemptions to FMVSS for AVs should only be for testing not for sale and appropriately limited in scope. Exemptions from crashworthiness and occupant protection aspects of FMVSS should not be permitted. Exemptions must not reduce the crashworthiness/occupant protection performance of the vehicle. FMVSS exemptions for level 2 and 3 AVs must not allow changes which impair the ability of the driver to conduct the dynamic driving task.

**MORE Act:** Amends FAST Act extension of manufacturers' unlimited number of AV test vehicles that cannot be resold (not-for-resale), under 49 USC Sec. 30112(b)(10), to individuals, partnerships, corporations and new market entrants such equipment manufacturers and suppliers and institutions of higher education. Defines highly automated motor vehicle as a "motor vehicle equipped with an automated driving system."

- Allowing entities other than motor vehicle manufacturers to test vehicles not in compliance with FMVSS has the potential for hundreds of thousands of vehicles with multiple exemptions from FMVSS to be on the road and significantly increase the safety risk to the public.
- Moreover, exemptions from crashworthiness and occupant protection aspects of FMVSS should not be permitted. Exemptions must not reduce the crashworthiness/occupant protection performance of the vehicle. Even highly automated vehicle (HAV) levels 4 and 5 systems must be safe for occupants in the event of a crash. FMVSS exemptions for level 2 and 3 AVs must not allow changes which impair the ability of the driver to conduct the dynamic driving task. Lastly, test vehicles should only be used for testing purposes, and no test vehicles should be allowed to be sold to the public.

**INFORM Act:** Amends 49 USC Sec. 30113 to require NHTSA to inform State authorities when a highly automated motor vehicle is granted an exemption from the FMVSS. Defines the term highly automated vehicle as "a motor vehicle equipped with an automated driving system" but does not include a commercial motor vehicle.

- If Congress is going to task NHTSA with new responsibilities, it must also provide the agency with additional funding. The agency is already operating under a strained budget.

**Disability Mobility Advisory Council Act:** Establishes federal advisory committee on advancing mobility access for the disabilities community. Members to include (1) individuals/representatives with disabilities, (2) disability researchers, (3) directors of independent living facilities, (4) business community, including suppliers, with AV testing/deployment experience, (5) auto dealers selling AVs, and (6) academia with expertise in mobility access. Must comply with FACA.

- All DOT advisory committees should be required to include safety and consumer representatives as well as local, state, and NHTSA officials.

**Improving Mobility Access for Underserved Populations and Senior Citizens Advisory Council Act:** Establishes federal advisory committee on senior citizens and populations underserved by traditional public transportation services with respect to testing and distribution of AVs. Members to include (1) senior citizens, (2) individuals dependent on public transportation living/working in underserved areas, (3) directors of independent living facilities, (4) business community, including suppliers, with AV testing/deployment experience, (5) auto dealers selling AVs, and (6) academia with expertise in mobility access. Must comply with FACA.

- All DOT advisory committees should be required to include safety and consumer representatives as well as local, state, and NHTSA officials.

**Automated Driving System Cybersecurity Advisory Council Act:** Establishes federal advisory committee on cybersecurity for testing, deployment, and updating of AV driving systems with respect to supply chain risk management, interactions with Information Sharing and Analysis Centers and Information Sharing and Analysis Organizations, and a framework for identifying and implementing recalls of motor vehicles or motor vehicle parts. Members to include: (1) OEMs of AVs in the US, suppliers of original equipment manufacturers of AV

systems, (2) auto dealers selling AVs, (3) organizations facilitating the sharing of cybersecurity threat information and intelligence, (4) engineers developing software/hardware in AVs, (5) independent cybersecurity researchers, (6) academia with expertise in cybersecurity, (7) communications cybersecurity experts, (8) insurance industry representatives, (9) auto repair industry representatives, (10) one person from each of NHTSA and NIST. Must comply with FACA.

- All DOT advisory committees should be required to include safety and consumer representatives.
- Committee should also include a representative from the Department of Homeland Security.

**SHARES Act:** Establishes federal advisory committee to develop a framework to allow manufacturers of HAVs to share relevant, situational information related to any testing event on public streets in a manner that does not risk public disclosure of such information or of confidential business information. Members to include (1) industry standards setting organizations including SAE, (2) manufacturers of HAVs, (3) States and other public sector entities with jurisdiction over HAVs, (4) insurance industry, (5) auto dealers selling AVs, (6) auto repair industry, (7) academia with expertise in testing HAVs, and (8) others determined by the DOT Secretary. Does not affirmatively state that committee must comply with FACA.

- All DOT advisory committees should be required to include safety and consumer representatives.
- The development and deployment of AVs as well as NHTSA's role in regulating this technology should be open and transparent. All data generated from the testing and deployment of AVs, except for trade secrets and private individual information, should also be made public. Lack of transparency would severely undermine the public's confidence in this new technology and inhibit its widespread adoption by the public, regardless of its benefits.

**HAV PROMPT Act:** Prohibits DOT Secretary from implementing a pre-market approval process for HAVs.

- NHTSA should issue a rule establishing functional safety standards for the development and deployment of AVs. Functional safety is a process to ensure that the system, as a whole, operates correctly and safely in response to inputs, errors, and failures. It is applied throughout the life-cycle of a system, from hazard analysis during design through auditing of performance after deployment. Functional safety standards are essential to providing the framework for the safe development and deployment of AVs. Only through such standards can predictable problems be immediately identified, safety be assured, and the lifesaving benefits of this technology be achieved.

**GUARD Act:** Adds new section, 49 USC Sec. 30129, *Automated Driving System Information*, to require confidential business information treatment of all AV system reports/data related to:

- (1) testing and validation of an event, incident, and crash data;
  - (2) design and validation processes of electrical, electronic, communication, or mechanical functions;
  - (3) testing and validation of cybersecurity;
  - (4) assessment, testing, and validation of human machine interfaces;
  - (5) testing and validation of the fallback of an AV system;
  - (6) testing and validation of the object and event detection response capabilities.
- The development and deployment of AVs as well as NHTSA's role in regulating this technology should be open and transparent. All non-proprietary data generated from the testing and deployment of AVs, except for trade secrets and private individual information, should also be made public. Lack of

transparency would severely undermine the public's confidence in this new technology and inhibit its widespread adoption by the public, regardless of its benefits.

**MEMO Act:** Directs NHTSA and FTC to issue a memorandum of understanding (MOU) on the regulation and oversight of HAVs with respect to privacy and cybersecurity.

- AVs should be subject to binding privacy and cybersecurity standards. The FTC and NHTSA authorities are separate and the agencies have different areas of expertise. Therefore, the agencies should share oversight where appropriate for the oversight of AV privacy and security.

**DECAL Act:** Requires manufacturers to include on the vehicle sticker (Monroney label) a description of the level of driving automation for any HAV.

- Any information provided on a sticker regarding an AV must clearly and simply explain the capabilities of the AV (what it can and cannot do).



December 2, 2016

**DOT Docket No. NHTSA-2016-0090**

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U.S. Department of Transportation  
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**Request for Comment on “Federal Automated Vehicles Policy”  
Notice and Request for Comments  
81 Federal Register 65703, September 23, 2016**

Advocates for Highway and Auto Safety (Advocates) files these comments in response to the National Highway and Traffic Safety Administration (NHTSA) notice and request for public comment on the “Federal Automated Vehicle Policy.”<sup>1</sup> (NHTSA AV Policy). Simply because AV technology has the potential to evolve rapidly over time does not justify NHTSA abdicating its statutory mission of regulating motor vehicles to ensure public safety.<sup>2</sup>

Fifty years ago, Congress passed the National Traffic and Motor Vehicle Safety Act of 1966 because of concerns about the death and injury toll on our highways. The law required the federal government to establish federal motor vehicle safety standards (FMVSS) to protect the public against “unreasonable risk of accidents occurring as a result of the design, construction or performance of motor vehicles.”<sup>3</sup> While cars have changed dramatically and will continue to do so in the future, the underlying premise of this prescient law and the NHTSA’s safety mission has not.

Advocates has always enthusiastically championed technology and for good reason. It is one of the most effective strategies for reducing deaths and injuries. NHTSA has estimated that since 1960, hundreds of thousands of lives have been saved by motor vehicle safety technologies.<sup>4</sup>

In 1991, Advocates led the coalition that succeeded in having the airbag mandate included in the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991.<sup>5</sup> As a result, by 1997, every new car sold in the United States was equipped with a front seat airbag and the lives saved have

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<sup>1</sup> Request for Comment on “Federal Automated Vehicles Policy,” 81 FR 65703 (Sept. 23, 2016).

<sup>2</sup> In general the term AV refers to all autonomous vehicles including those vehicles that NHTSA refers to as highly autonomous vehicles (HAVs) except as noted.

<sup>3</sup> Title 49, U.S.C. Sec. 30102.

<sup>4</sup> Lives Saved by Vehicle Safety Technologies and Associated Federal Motor Vehicle Safety Standards, 1960 to 2012, DOT HS 812 069 (NHTSA, 2015); See also, NHTSA AV Policy, *Executive Summary*, p. 5 endnote 1.

<sup>5</sup> Pub. L. 102-240 (Dec. 18, 1991).

been significant. In fact, airbags save over 2,000 lives annually.<sup>6</sup> Advocates continued to build on our success by pushing lifesaving technologies in other bills and regulatory proposals. These efforts included tire pressure monitoring systems,<sup>7</sup> rear outboard 3-point seat belts,<sup>8</sup> electronic stability control,<sup>9</sup> seat belt reminder systems,<sup>10</sup> rear video cameras,<sup>11</sup> brake transmission interlock,<sup>12</sup> seat belts on motorcoaches,<sup>13</sup> electronic logging devices<sup>14</sup> as well as other important safety improvements such as rollover crash avoidance and automatic emergency braking. These safety advances have saved countless lives.

According to the latest statistics from the National Highway Traffic Safety Administration (NHTSA), 35,092 people were killed on our nation's roads in 2015.<sup>15</sup> This represents a 7.2-percent increase from 2014 and is the largest percentage increase in nearly fifty years.<sup>16</sup> Injuries resulting from crashes also increased to 2.44 million from 2.34 million in 2014.<sup>17</sup> Advocates is hopeful that automated vehicle technology has the potential to significantly reduce this carnage. However, the safety benefits of AVs will be realized gradually as the widespread adoption of the technology will take years.

### **Introduction/Overview**<sup>18</sup>

The NHTSA AV Policy points out that under current law and regulation, vehicle and equipment manufacturers are under no legal duty to provide information to the agency about a new technology, in advance of production and sale into the U.S. market, unless it fails to comply with an applicable FMVSS or raises a compliance question regarding existing regulations.<sup>19</sup> The NHTSA AV Policy does nothing to change the legal responsibility or duty that vehicle and equipment manufacturers owe to NHTSA or the public. The NHTSA has the authority, however, to require motor vehicle manufacturers, and other entities supplying auto equipment, parts and electronic systems for AVs, to conduct tests and perform analyses to document and

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<sup>6</sup> National Center for Statistics and Analysis, *Lives Saved in 2015 by Restraint Use and Minimum-Drinking-Age Laws*, National Highway Traffic Safety Administration, Report No. DOT HS 812 319 (Aug. 2016).

<sup>7</sup> Transportation Recall Enhancement, Accountability, and Documentation (TREAD) Act, Pub. L. 106-414 (Nov. 1, 2000)

<sup>8</sup> Anton's Law, Pub. L. 107-318 (Dec. 4, 2002).

<sup>9</sup> Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), Pub. L. 109-59 (Aug. 10, 2005)

<sup>10</sup> *Id.*

<sup>11</sup> Cameron Gulbransen Kids Transportation Safety Act of 2007, Pub. L. 110-189 (Feb. 28, 2008).

<sup>12</sup> *Id.*

<sup>13</sup> Moving Ahead for Progress in the 21<sup>st</sup> Century (MAP-21) Act, Pub. L. 112-141 (Jan. 3, 2012).

<sup>14</sup> *Id.*

<sup>15</sup> National Center for Statistics and Analysis, *2015 motor vehicle crashes: Overview*, Report No. DOT HS 812 318, National Highway Traffic Safety Administration (Aug. 2016).

<sup>16</sup> *Id.*

<sup>17</sup> *Id.*

<sup>18</sup> Due to the complexity of the issues involved and the length of the NHTSA AV policy, Advocates' comments exceed the 15 page limit pursuant to Title 49, C.F.R. § 553.21.

<sup>19</sup> Federal Automated Vehicles Policy: Accelerating the Next Revolution in Roadway Safety, 12507-091216-v9, p. 48 (NHTSA, Sept. 2015) (NHTSA AV Policy), available at <http://www.nhtsa.gov/nhtsa/av/index.html>.

verify that an AV system performs safely and as designed. That type of documentation should be required by rule rather than as part of the voluntary safety assessment letter that the agency now requests manufacturers to voluntarily submit to the agency.

Furthermore, the development and deployment of automated vehicles as well as the agency's role in regulating this technology must be open and transparent. Therefore, all communications and responses between NHTSA and a manufacturer as it relates to any issues involving automated vehicles must be made available for public review and scholarly research. In addition, all data generated from the testing and deployment of AVs, except for trade secrets and private individual information must be made public. In the past few years, automakers have hidden from regulators and the American public safety defects that have led to unnecessary deaths and injuries as well as the recall of millions of vehicles. This troubling lack of transparency should not be allowed to infect the development of driverless vehicles. Lack of transparency will severely undermine the public's confidence in this new technology and inhibit its adoption by the public regardless of its perceived benefits.

## **I. Vehicle Performance Guidance for Automated Vehicles**

### **The Guidance**

Advocates' two main objections to the proposed performance guidance are that the guidance is not mandatory and that there is a lack of specificity. In its current state, the non-mandatory guidance is such that any information willingly provided by industry in the safety assessment letters regarding compliance with the guidance may be incomplete, sparse, or at best so varied from letter to letter as to render the information collected useless in terms of agency review and developing future regulation. As detailed below, the guidance should be reconfigured around the concept of a functional safety approach to the design, development, and deployment of autonomous vehicles of all levels.<sup>20</sup> The guidance must be specific in terms of minimal reporting requirements and should establish those requirements based on a planned path toward future regulation. Failure to do this will only leave the federal agency charged with ensuring motor vehicle and public safety further behind the technology.

### **Scope**

As indicated "all individuals and companies manufacturing, designing, testing, and/or planning to sell automated vehicle systems in the United States"<sup>21</sup> must consider the guidance. Similarly, the guidance must be applied to all AVs, including light-, medium-, and heavy-duty vehicles. The guidance must apply to both test- and production-level vehicles, specifically those which are

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<sup>20</sup> Levels in this case refer to the levels of automation as defined by SAE J3016 and adopted by the NHTSA. Although the NHTSA distinguishes between SAE Level 0-2 and 3-5 AVs, the agency acknowledges that "this distinction does not change many of the areas in which the manufacturers . . . should apply elements of this Guidance during product development, testing, and deployment." NHTSA AV Policy, p. 31.

<sup>21</sup> NHTSA AV Policy, p. 11. These comments use the term "manufacturers" to represent all entities intended to be covered by the scope of the NHTSA AV Policy.

sharing the road with the general public.<sup>22</sup> The reality is that while testing of AVs on public roads is a necessity, to increase real-world data collection and improve development, AVs are sharing the road with other highway users who have not been informed of the testing, are unwitting participants to the testing, and may be exposed to crash risks without prior informed consent. AVs that are being tested as well as the routes they will travel should be conspicuously marked so that they are easily identifiable to the public. For these reasons, AVs used for research and testing on public roads, as well as AVs sold to the public, must all be subject to a rigorous functional safety process and requirements to ensure that the public will not be exposed to an unreasonable crash risk.

### **Overview: DOT's Vehicle Performance Guidance**

In terms of content, the NHTSA AV Policy covers many of the important aspects necessary to achieve safety of AVs. However, the organization of the guidance appears disjointed and should be revised to conform more closely to a functional safety approach. In its present format, the guidance could be read as indicating that the individual guidance sections could be tackled as separate, independent issues when, in reality, a comprehensive and cohesive systems engineering approach must be taken in order to achieve the safe deployment of AVs.

Almost all portions of the guidance represent, to some degree, aspects of functional safety. Functional safety is a process by which a system is designed, developed and deployed to ensure that the system, as a whole, operates correctly and safely in response to inputs, errors, and failures. Functional safety is applied throughout the life-cycle of a system, from hazard analysis during design through auditing of performance after deployment. Only through ubiquitous adoption of a functional safety approach to the development of AVs can the safety and benefits of this technology be achieved. Advocates recommends that NHTSA reorganize the guidance into a framework focusing on a functional safety approach that identifies how each of the guidance components fit into the functional safety framework. The following is an example of how different sections of the guidance could be reorganized into a functional safety approach:

- System Design
  - Operational Design Domain<sup>23</sup>
  - Object and Event Detection and Response<sup>24</sup>
- Hazard Analysis
  - Mechanical

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<sup>22</sup> The public must be given the opportunity to give meaningful informed consent to the testing of AVs on public roads. Among other things, AVs that are being tested as well as the routes they will travel should be conspicuously marked so that they are easily identifiable to the public. In addition, as required by federal regulation for research involving human subjects, cities and states that permit testing of AVs should have in place an Institutional Review Board to monitor that the testing of AVs to protect the rights all of the subjects involved in the testing. See: 45 CFR 46 (2009).

<sup>23</sup> Operational design domain (ODD) refers to how the AV system will detect and respond to the driving environment.

<sup>24</sup> Object and event detection and response (OEDR) refers to how the AV system will perform when a problem with the system itself is encountered.

- User
  - Human Machine Interface (HMI)
  - Consumer Education and Training
- External
  - Cybersecurity
  - Federal, State, Local Laws
  - Ethical Considerations
- Risk Reduction
  - Post-Crash Behavior
  - Fall Back (Minimal Risk Condition)
- Design Validation
  - Validation Methods (simulation, track, on-road testing)
- Performance Verification / Auditing
  - Data Recording and Sharing

### **Safety Assessment Letter to NHTSA**

The NHTSA must make the reporting of AV information mandatory. Voluntary submission of information will not succeed because AV manufacturers are under no legal duty to report completely and fairly. While Advocates agrees with the underlying concept of the proposed Safety Assessment submission, there are three major problems with the Safety Assessment guidance as proposed in the NHTSA AV Policy. First, at the outset, the NHTSA undermines its effort by describing the Safety Assessment information to be provided as merely “outlining” how the manufacturer submitting the information is meeting the areas of concern in the NHTSA AV Policy guidance.<sup>25</sup> The agency then refers to the Safety Assessment submission as a “summary letter.”<sup>26</sup> In fact, the agency guidance allows manufacturers to merely check-off a box for each area of requested information that indicates whether the manufacturer’s AV system “Meets”, “Does not meet”, or “is not applicable” to each particular guidance area of the NHTSA AV Policy. In essence, if a manufacturer voluntarily responds at all, it could just check the appropriate response in each area without providing any substantive information or content whatsoever. Although the agency states that it expects responses to be “concise and complete[.]”<sup>27</sup> nothing in the guidance indicates that the agency is seeking detailed information in an initial response.

Second, as proposed, the request for the Safety Assessment submission lacks specificity as to what type of information the agency wants and that the manufacturer should submit. Requests for information contain only vague descriptions that may or may not receive accurate and complete responses. The agency approach to the Safety Assessment submission letter is to allow the manufacturer to provide as much or as little information as the manufacturer deems to be in its self-interest. In fact, the agency states that, after the initial submission, the agency “might

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<sup>25</sup> NHTSA AV Policy, p. 15.

<sup>26</sup> NHTSA AV Policy, p. 16

<sup>27</sup> NHTSA AV Policy, p. 16.

request more detailed information on Guidance areas to better assess safety aspects of the HAV systems.”<sup>28</sup> It is critical that the agency should try to obtain complete and detailed information from the outset. In its present non-mandatory form, the agency will have little recourse to compel manufacturers to provide additional information if the agency is not satisfied with the initial response. Follow-up requests may well extend beyond the four-month lead-time that the NHTSA AV Policy suggests is needed to review manufacturer submissions prior to testing on public roads.<sup>29</sup> In addition, such requests impose additional burdens on NHTSA’s resources.

Third, the NHTSA does not seek any uniformity of the substantive content for the Safety Assessment information. Responses from manufacturers can take many forms and use distinctive nomenclature that will slow down if not stymie the agency’s evaluation of the information. The agency should categorize the types of information it seeks in each guidance area in order to better be able to compare implementations of industry standards, guidance, best practices, testing, protocols, and analyses.<sup>30</sup> Doing so will make the information gathered more useful to the public, industry, and government alike.

Finally, regarding the timeline for Safety Assessment responses, four months is excessive to develop a Safety Assessment letter for products already on the road, and for which all documentation should readily be available. This is particularly important as the initial response may not be sufficiently detailed and may require the agency to make an additional follow up request for more information. Likewise the demand that letters be provided four months prior to testing should be evaluated to ensure that the agency and the public have ample time to review the documents, especially if a vehicle is to be tested on public roads. For similar reasons, Advocates concurs that updates to the Safety Assessments are needed, and should be required, when updates are made to AV systems. However, the process and requirements for updating Safety Assessments should be specific and uniform to ensure that the information gathered is beneficial to the public, industry and regulators.

## **Cross-Cutting Areas of Guidance**

### **Data Recording and Sharing**

The collection and sharing of data with the public, the NHTSA, and within the industry will be critical to achieving the highest levels of safe AV performance. Similar to the way in which current crash databases are used to inform current safety regulation and vehicle design, an AV performance database would benefit all parties. NHTSA should maintain a public database that details any and all crashes involving an AV. The sharing of both incident (crash) and near

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<sup>28</sup> NHTSA AV Policy, p. 16.

<sup>29</sup> NHTSA AV Policy, p. 16.

<sup>30</sup> The lack of specificity with the Early Warning Reporting (EWR) perfectly illustrates what can happen when the agency fails to provide proper specification for the information it seeks. The vague categories of the EWR have enabled the industry to hide questionable performance and dangerous defects. (EWR: Elective Warning Reports – When Manufacturers Don’t Report Claims, Safety Research & Strategies, Inc., Apr. 8, 2014, available at <http://www.safetyresearch.net/blog/articles/ewr-elective-warning-reports-when-manufacturers-dont-report-claims>)

incident (near-miss) data would enable the industry to review performance of other AV systems and improve their own performance, especially for edge cases.<sup>31</sup> Likewise, the agency should use the data to develop specific sets of scenarios which AV systems must be able to address as part of future guidance and eventual regulation. The data to be collected and shared must be more specific than “all information relevant to the event and performance of the system.”<sup>32</sup> This vague description leaves too much room for interpretation which could result in disjointed and unusable information from which limited insights could be gained. Importantly, specification of data to be recorded and shared should address industry concerns around intellectual property. For example, making sure that the data from an incident where an AV fails to see the side of a white truck crossing its path is of critical importance to the development of all AV systems as it identifies a scenario which could cause problems and lead to risks. This sharing of data or feedback loop, must be done to ensure that each AV system does not have to learn only from its individual failures but can be improved based on the failures or successes experienced by other AV systems.

Essential to gathering accurate and reliable technical data on AV system performance and failure is the need to require all such data to be captured and collected. While each manufacturer may voluntarily provide information that is collected for internal use, information about AV system performance on public roads must be provided to the NHTSA on a real time basis and made available to the public. In the meantime, the NHTSA must also require that Event Data Recorders (EDR) or other systems are able to collect and record all essential data on AV systems so that in the event of a crash or other failure the vehicle systems status data will be available to the agency, crash investigators, researchers and the vehicle owner. Advocates recommends that the agency complete the rulemaking to mandate EDRs in all passenger vehicles, and revise the current requirements in the EDR rule, 49 C.F.R. §563, to require additional data collection on all AV systems.

### **Privacy**

Privacy will be a key factor in ensuring acceptance of AVs by the public. As noted above, the recording and sharing of data will be critical to achieving the safest performance of AVs as quickly as possible. Keeping the public informed as to the importance of sharing data and ensuring their privacy will be similarly critical to ensure participation. The industry and regulators must guarantee that data is protected and only used for the purposes of improving safety, and not for other commercial uses which could turn the public against data sharing.

### **System Safety**

Functional safety should provide the framework for the overall approach to the guidance and future regulation. In almost all areas of the guidance, it will benefit all parties involved if the

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<sup>31</sup> Edge Cases are those problems or situations that occur very infrequently or at the operational boundary. These are cases each manufacturer’s vehicles may only see once, but the information about that situation would benefit all systems because of its rarity.

<sup>32</sup> NHTSA AV Policy, p. 18.

requirements of the safety assessment were more specific in terms of standards, guidance, best practices, and design principles about which the agency would like information. The industry could then respond as to whether and how they have implemented any of those practices. Requiring the specific and uniform reporting of data by manufacturers will enable the agency to understand how each of the guidance areas, practices, standards, etc., are being implemented across the industry. It will also allow the agency to work towards establishing regulation to require their implementation.

### **Vehicle Cybersecurity**

Cybersecurity is an important aspect of AV development which must be addressed as part of functional safety. Again, the guidance is vague on the information it would like to receive from the industry. Specificity and uniformity will be the keys to evaluation of AV system information by the NHTSA and to informing the public. The agency should identify problem areas and require specific responses from manufacturers on how those are being addressed. Problem areas could include subjects such as GPS signal loss / degradation / spoofing, and off-line and real time hacking of single vehicles or fleets of vehicles. As with all other performance data, the sharing of data in terms of cybersecurity will improve overall safety and ensure that all vehicles, regardless of manufacturer, are afforded the same level of security. This is even more important when the aspect of connected vehicles is concerned as any weak link in the chain could leave many more vehicles vulnerable to programming errors or hacking. The potential risk of a single software error, or malevolent computer hack impacting hundreds or thousands of AVs, perhaps whole model runs, makes appropriate cybersecurity a crucial and indispensable element of AV design.

### **Human Machine Interface**

The user interface is an essential aspect of the development and deployment of AVs. In the functional safety approach, the human/machine interface (HMI) presents both a source for and means of addressing hazards stemming from the user. As some products currently on the road have demonstrated, poor HMI design can lead to dangerous and deadly situations. For example, if an AV requires a human occupant to participate in the driving process, it must be designed to ensure that the human occupant is engaged, aware, and informed of the operational status of the vehicle particularly in time critical settings. Simply informing drivers that they must remain engaged or placing information in the owner's manual as to the limitations of the AV system are not a sufficient or acceptable substitute for engineering solutions that are effective in maintaining the engagement of the human operator. This is true even if the operator signs a statement indicating that they have read the manual. In a functional safety approach the hazard of driver engagement should be managed through monitoring and warning systems to ensure drivers are engaged to the level necessary for the system to operate safely. A system which fails to account for all sources of risk and hazard, especially the transition from or to a human operator, would not be functionally safe and should be evaluated by the agency before the AV system is certified by the manufacturer for use on public roads.

### **Crashworthiness**

Compliance with the FMVSS is mandatory and should remain so. In the future, as new seating configurations are proposed, the NHTSA may be required to adapt the FMVSS to ensure that occupants are provided the same minimal levels of crashworthiness protection currently afforded by all vehicles. Leaving occupant safety in AVs to the “due care” of the industry is a step backward that is fraught with problems and opens the door for making trade-offs with safety. Furthermore, concerning AV compatibility, the agency should establish regulatory requirements rather than relying on voluntary agreements. In the end, it is foreseeable that AVs will share the road with traditionally operated vehicles with human drivers for an extended time and, despite any AV advances, will likely still be involved in crashes which will require the vehicle design to ensure that it protects occupants and crash partners alike.

### **Consumer Education and Training**

Consumer education and training are imperative to ensure safe deployment of AVs. Failure to fully familiarize consumers with needed operational and safety information, or to properly train vehicle owners who may have to take over operation of the AV at some point, could result in rejection of AVs by the public and more importantly lead to crashes. As end users of the product, even if they are not involved in the driving task at all, consumers will ultimately decide the fate of AVs. Consumer education and training in all aspects of AV operation are critical to success.

Advocates agrees with the NHTSA’s statements and observations in the guidance that manufacturers develop education and training programs for employees, dealers, distributors and consumers.<sup>33</sup> This is especially necessary for Level 3 (and lower) AVs in which the driver may need to take over control of the vehicle when the operational limits of the AV system have been reached. The suggestion in the NHTSA AV Policy that consumers who purchase AVs should receive training on the operational capabilities and limitations of the AV system they purchase, along with an on-the-road demonstration prior to taking possession of the AV would be beneficial. However, the agency should take the next step and offer specific solutions and develop prototype program materials to guide manufacturers in this effort.

The agency must also consider the need for standardizing the operation of AVs or their functions, and requiring training and education / information from the manufacturers or as part of the state policy for licensing to ensure that, until such time as drivers are no longer required, that lack of education or training do not undermine the safety benefits of AVs.

Furthermore, while all relevant information must be included in the vehicle owners’ manual, there is a clear need, especially for vehicles that may require the intervention of a driver or which can have their operational capabilities updated significantly, for important features of the AV

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<sup>33</sup> Advocates is aware of instances in which dealership sales personnel were unfamiliar with the capabilities of the AV systems they were demonstrating to customers.

system operation to be delivered to consumers in other ways. The agency should consider requiring instrument panel instructions / notifications that must be read and accepted before the AV can begin operating, and a separate AV system tutorial that can be viewed on board the AV when not in operation or on other personal data devices. A comprehensive approach to AV education and training is essential for the success of AV adoption.

### **Certification**

Manufacturers will still be responsible to self-certify that their AV meets all federal and state requirements as well as operates safely and as designed. Manufacturers and other responsible entities will need to keep both the NHTSA and consumers aware of the operation, capabilities, and limitations of AV systems that are on the road. With the possibility of over the air (wireless) updates which could change the operation of AVs overnight, it will be essential for manufacturers to provide updated Safety Assessments to the NHTSA regarding any changes that affect the certification of the vehicle. Clear instructions regarding any changes must also be conveyed to the vehicle owner and operators.

### **Post-Crash Behavior**

As part of functional safety, AVs must be able to recognize failures and address them or enter a failsafe mode. Controlling post-crash behavior to prevent the operation of AVs systems after damage to sensors is part of addressing a crash which is a known hazard. Similarly, it is important for the repair and re-certification of AV systems to be well established to ensure only safe AV systems are allowed back onto public roads.

### **Federal, State and Local Laws**

In terms of functional safety, complying with Federal, State, and local laws is a known aspect of an AV systems design and expected operation. Variation in laws between jurisdictions is another known operational parameter that must be considered and addressed by AV manufacturers. It would appear that compliance with Federal, State, and local laws would be part of the operational design domain (ODD) and the object and event detection and response (OEDR), rather than a stand-alone topic of the guidance. Additionally, the NHTSA should consider the impact of the variation in transportation laws, road designs, lane marking, signage, etc. on the implementation of AVs and the benefits which could be derived from seeing uniformity across the country.

### **Ethical Considerations**

Conflicts between the objectives of safety, mobility, and legality could occur in the operation of AVs; however, the guidance is vague on the specific means by which these conflicts will be resolved. Merely stating that solutions to these issues “should be developed transparently using

input from Federal and State regulators, drivers, passengers and vulnerable road users...<sup>34</sup> is not sufficient to ensure that dangerous products are not placed on the road now. Until such time as these “algorithms” are developed and proven, the safety objective should guide decisions. It is for this reason that the collection and sharing of data on vehicle operation will be important. The NHTSA must be more forthcoming with regard to how it will approach AV designs in which the manufacturers have opted to make different decisions in balancing these ethical considerations.

### **Automation Function**

Specification of the conditions under which an AV system will operate (ODD), how the AV system will detect and respond to the driving environment (OEDR), and how the AV system will perform when a problem with the system itself is encountered (fall back (minimal risk conditions)), are all part of the design aspect of a functional safety approach. For each system and the system overall, specifying which conditions a system can operate within, what the expected response is, and what happens when all else fails are essential parts of the design, hazard analysis, and hazard mitigation / elimination aspects of functional safety. The NHTSA must ensure that it collects sufficient information and test data/results to confirm that the manufacturer has done its safety due diligence and to validate that these aspects of the AV system are operating safely and as designed.

### **Operational Design Domain**

Defining an ODD and translating that information to the NHTSA and specifically the consumer will be important to ensure that user error is reduced and that limitations in the operation of AV systems both within and outside of the ODD can be identified. Specificity and uniformity in reporting will improve the ability for this information to be used to develop future regulation and inform the public. It is also important that manufacturers consider specifying not only the ODD (where the system will work) but to clearly define the operational boundaries for the consumer. As discussed in previous sections, simply informing the consumer is not adequate from a functional safety stand point and should be supplemented with engineering solutions, including properly designed HMI, to ensure that opportunities for error or misunderstanding that could pose a crash risk are eliminated.

### **Object and Event Detection and Response**

Within its ODD, each AV system must be expected to detect and respond to all scenarios which could affect safe operation. This includes interactions with other vehicles, pedestrians, cyclists, animals, and other objects. The NHTSA provides a limited list of behavioral competencies for normal driving and references a number of scenarios for crash avoidance and other hazards (construction, disabled vehicles, etc.). Advocates believes that this type of specific listing of scenarios which all AVs, as appropriate based on each particular AV system ODD, should be addressed as part of the safety assessment. With sufficient, uniform data sharing, manufacturers

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<sup>34</sup> NHTSA AV Policy, p. 26.

should be aware of all scenarios that AVs should address as part of their safety assessment. The agency should work towards a functional safety requirement which would include specifications of scenarios which must be addressed by an AV system, depending on the ODD, and which could be tested to ensure compliance.

### **Fall Back (Minimal Risk Condition)**

As noted above in the discussion of post-crash behavior and in other sections, establishing fail safe conditions and operation is yet another part of functional safety. Once hazards and risks are identified and then eliminated, mitigated, or guarded against, and warnings are provided, the final step is to ensure that a system can recognize a failure or when it is operating outside of its ODD and return the system to a failsafe operation. However, having a failsafe design should not just be a recommendation. As with nearly all other parts of the guidance, AVs must be functionally safe, including having failsafe modes. These modes will be especially important in the early rollout of AVs when unknown risks have not yet been adequately identified through data collection and sharing.

### **Validation Methods**

Performance validation is another step in the functional safety process. The NHTSA Safety Assessment must include specific tests and validation methods which the AV manufacturers must confirm have or have not been used, with a description and documentation of the methods the manufacturer did use to validate its AV system. Manufacturers should be required to provide information on all methods beyond those listed by the agency which will inform and enable the agency so it can update future versions of the list. Again, data collection and sharing will also be critical to performance validation to ensure that performance on the road and in the hand of the public is matching the performance predicted by the design.

### **Guidance for Lower Levels of Automated Vehicle Systems**

All manufacturers of AV systems should be required to meet functional safety requirements for the design, development, and deployment of AVs. Almost all of the current guidance fits into what should be required in a comprehensive functional safety approach. Lower levels of automation should not be exempt from having to thoroughly apply the process.

Advocates supports ODD, OEDR, and minimal risk conditions applying to lower level AV systems. Every AV system has conditions under which it is designed to operate and its operation is specified. While the details may not be as extensive as that of a higher level (3-5) system, this is not an exception but rather a modification. Finally, a failsafe mode is still necessary even if it is not as drastic as those for higher level AVs. Uniformity in application of the functional safety process across all levels of AVs is necessary to ensure safety and inform the agency and the public.

### **Next Steps: Activities to Improve, Expand and Oversee the Guidance**

It is critical that the NHTSA move swiftly towards effective regulation before the technology becomes ubiquitous. Abandoning the regulatory process is not a solution. A concerted and coordinated effort between agencies, branches of government, industry and the public will be necessary to achieve the goals of bringing AVs to market and doing so safely.

## **II. Model State Policy**

The stated purpose of the model state policy is to “create a consistent, unified, national framework” for AV regulation, yet the framework is so loose it is difficult to envision consistent outcomes.<sup>35</sup> In fact, this framework, because it lacks so many necessary details, will create a patchwork of state standards which stands in stark contrast to the stated goals of the model policy. The NHTSA fails to include a timeline for suggested evaluations and actions that states need to complete. While the model policy acknowledges that states must undertake changes and improvements to transportation infrastructure in order to ensure the safe operation of AVs, it fails to instruct the states on what specific upgrades are needed. In addition, the model policy does not set any standard for crash reporting deadlines or data requirements which will be crucial to state regulation of the testing and deployment of AVs. Not only are the paucity of details contained in the model policy of great concern, the proposal also contains several critical shortcomings on its face that must be rectified.

### **Introduction**

Advocates agrees with the statutory mission of NHTSA to regulate the design and performance of motor vehicles including AV technology and vehicles to ensure public safety. However, so long as the agency chooses to issue merely voluntary guidance to address safety and regulatory issues on emerging AV technology, states have every legal right to fill the regulatory vacuum with state developed solutions. NHTSA, by issuing only guidelines, has left open the field of AV safety that can and must be filled by the states. As such, each state can currently dictate (and some already are) what tests it deems acceptable and what constitutes an acceptable or successful result. This decentralized process leaves an incredible amount of variability in standards and interpretation. Advocates urges the agency to issue regulations to govern the safety assessment process and other regulatory appropriate aspects of AVs that the agency has exercised with respect to the safety of non-automated motor vehicles.

NHTSA should partner with states to properly train and educate drivers on the proper use of AV systems; however, specific focus should be placed on training dealership sales personnel and vehicle buyers and drivers on the capabilities and limits of AVs including when a driver must retake control of an AV after disengagement of the autonomous system.

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<sup>35</sup> NHTSA AV Policy, p. 37.

NHTSA should take a leadership role and work with the states to ensure enhanced requirements for AVs. The inadequate maintenance of an AV, particularly out of date software, could have disastrous consequences on its operation and public safety. These concerns merit that AVs receive a heightened standard of care from state regulators tasked with ensuring that all vehicles registered in a state are properly maintained.

### **Model State Policy**

The NHTSA must require, and recommend that state law reinforce, the need for AVs to be designed to comply with all aspects of state motor vehicle and traffic laws. Furthermore, NHTSA should work with the Federal Highway Administration, the Federal Motor Carrier Safety Administration and the states to ensure that AVs are compliant with all highway and traffic requirements. Mandating this uniformity will greatly reduce the opportunity for errors by AVs when dealing with the current patchwork of state requirements or guidelines such as lane widths, road markings, and signage.

In terms of defining who the “driver” of an AV is the NHTSA AV Policy contains an apparent inconsistency. For level 3 AV systems, where the human driver has to be able to take over control of the vehicle, states should define the “driver” of the vehicle as the human operator of the vehicle not the AV system as proposed in the model state policy. NHTSA asserts that States should generally deem the AV system to be the “driver” of the vehicle for SAE Levels 3-5.<sup>36</sup> Later in the guidance, however, the NHTSA indicates that States should continue to regulate the “human” driver for AV “technologies that are less than fully automated, SAE levels 3 and lower.”<sup>37</sup> For a level 3 vehicle where a driver is still tasked at various times with the operation of the vehicle, when the vehicle reaches its operational limits, the driver of such a vehicle must continue to be defined as the human operator.

### **Administrative**

Advocates supports the establishment of a jurisdictional automated safety technology committee in each state as outlined in the model policy. However, the committees should be balanced and include strong representation from safety and consumer representatives as permanent official members. Placing these representatives on the committee will foster public confidence in the testing and deployment of AVs in their state and will encourage acceptance of the technology as it becomes more prevalent. In addition, these representatives can provide a unique and invaluable perspective to the committee as they consider numerous issues affecting consumers and public safety.

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<sup>36</sup> NHTSA AV Policy, p. 39.

<sup>37</sup> NHTSA AV Policy, p. 43.

### **Jurisdiction Permission to Test**

The lead state agency tasked with regulating AVs should prohibit the testing of AVs in safety sensitive areas such as school and construction zones as outlined in the model state policy. The malfunction of an AV while testing in such areas would be catastrophic. In addition, authorizations given for testing should be renewed on an annual basis due to the number of issues that could evolve during the course of a year involving experimental vehicles using such rapidly developing technology that could receive and require programming changes and updates at any time. Moreover, any authorization should immediately be reviewed after a notice of a crash involving an AV covered by the permit.

### **Testing by the Manufacturer or Other Entity**

As outlined in the model state policy, not only should all crashes involving test vehicles be reported to the applicable state regulatory body, but any and all safety critical events such as near misses or operational malfunctions should also be disclosed to state regulators and the public. State regulatory bodies cannot accurately assess the progress of AVs and their ability to operate on public roads without this full and accurate picture of the performance of AVs during testing.

### **Law Enforcement Considerations**

Advocates concurs with NHTSA's statement that "[f]or vehicles that offer less than full automated capabilities, there is potential for increased distracted driving."<sup>38</sup> Despite these obvious concerns, the agency continues to merely issue guidelines rather than regulations to govern in-vehicle and nomadic electronic devices that contribute to distracted driving, an issue that has long been identified by the safety community and the agency and supported by numerous research studies as a major public health epidemic.<sup>39</sup> For AVs that are less than fully automated, states must be encouraged to enact robust laws to govern any and all in vehicle distractions.

## **III. NHTSA's Current Regulatory Tools**

### **Rulemaking Authority**

The NHTSA's most broad-ranging authority to influence and govern motor vehicle safety, and to eliminate unreasonable risks to the public, is through proposing a standard to govern conduct and performance through a public rulemaking process. This is, and has been since the inception of the agency, the approach used to "adopt new standards, modify existing standards, or repeal an existing standard."<sup>40</sup> The establishment through regulation of safety standards for motor vehicle safety and related technology performance requirements is the standard and established agency

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<sup>38</sup> NHTSA AV Policy, p. 45.

<sup>39</sup> [Distraction.gov](http://Distraction.gov), NHTSA.

<sup>40</sup> NHTSA AV Policy, p. 49.

procedure. The current body of lifesaving federal motor vehicle safety standards (FMVSS) has been constituted through this process and procedure.

Public notice-and-comment rulemaking provides a number of important benefits. The regulated industry and the public receive a concise, detailed statement of agency plans and proposed rules, including testing procedures and performance requirements. It requires the agency to master detailed technical issues and to organize the analysis of benefits and costs of a proposed rule. The regulated entities and the public are afforded an opportunity to evaluate and analyze the proposal and provide focused feedback to the agency, including posing questions regarding matters that may require greater clarity as well as critical feedback on technical aspects of the rule. Rulemaking affords all stakeholders, including the public and the regulated industry, the platform for making broad, general philosophical statements regarding the agency proposal, as well as the avenue to address narrow, technical issues. The regulatory process clarifies the agency's intent as to what will be subject to a particular regulation and how the agency intends to regulate an aspect of motor vehicle equipment or operation. This is important to reach a general agreed understanding of the issue and assure only sound, well-reasoned requirements are imposed on the regulated industry. While rulemaking may, by its nature, take longer than other existing regulatory tools (e.g., interpretation letters or exemption petitions), rulemaking according to the agency "enables the Agency to make the broadest and most thorough changes to governing regulations, and gives the public the greatest opportunity to participate in the Agency's decision-making process."<sup>41</sup> In fact, the NHTSA states that rulemaking may be the best approach to address "a motor vehicle or equipment design [that is] substantially different from anything currently on the road [for which] compliance with standards may be very difficult or complicated. . ."<sup>42</sup> This description directly applies to the development and installation of AVs.

The future reliability and public acceptance of AVs would benefit greatly from regulatory action that sets a fair and level playing field for industry and, at the same time, provides transparency and oversight for the introduction of AVs into the motor vehicle fleet. While the NHTSA has not regulated every aspect of motor vehicles, crucial safety and operating systems have been regulated as part of the FMVSS or other pertinent regulations for decades. There is no clear and compelling reason why AV technology should be treated any differently or given greater leeway than previous mechanical or electronic technological innovations. Furthermore, there is no reason to believe that AV technology differs in any meaningful degree from the developments and improvements that have been routinely regulated over the past 50 years of automotive development. The agency cannot evade its statutory duty simply because the new technology seems complicated or highly technical.

The NHTSA has expressed its view that "only after new technology is developed and proven does the Agency establish new safety standards. \* \* \* Strong safety regulations and standards are a vital piece of NHTSA's safety mission and the Agency will engage in rulemaking related to

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<sup>41</sup> NHTSA AV Policy, p. 50.

<sup>42</sup> NHTSA AV Policy, p. 49.

automated safety technologies in the future.”<sup>43</sup> While Advocates understands that, at present, there may not be sufficient information and data to establish minimum performance requirements for some aspects of AV systems, that does not mean that the agency should defer from regulating those aspects of AV performance that are already known but which are not yet regulated, such as autonomous emergency braking (AEB) systems. Moreover, NHTSA is not precluded from requiring manufacturers to adopt a functional safety process that will ensure appropriate testing of AV systems will be conducted to prove the systems’ safe performance within the design parameters of the particular AV system.

The NHTSA has an obligation to the public to ensure that new, highly complex AV systems will perform safely. At this time the NHTSA should require each vehicle manufacturer, or other company producing the computer logic and software, to adopt a functional safety process that requires comprehensive testing of AV systems that the agency can review. This would ensure that the manufacturers are under a legal obligation to perform appropriate due diligence to disclose the results to the agency prior to motor vehicles equipped with AV system’s being placed in the stream of commerce.

The agency can and should require manufacturers, as part of the self-certification requirement, to certify that sufficient functional safety testing and analysis has been performed to establish that the AV system will perform safely and as designed. To accomplish this, the agency should require all AV system manufacturers, by regulation, to adopt a functional safety process to conduct state-of-the-art testing and analysis to establish that the AV system performs safely and meets or exceeds all aspects of the systems design parameters. Such a requirement is intended to allow the manufacturer to document that its AV system(s) has been fully and extensively tested and that all critical features, including the programming software, operate properly. There must be a modicum of regulatory oversight by NHTSA to ensure that the AV system manufacturers are acting responsibly and have not taken any short-cuts in the rush to market.

Advocates’ call for a regulation to require functional safety testing and analysis is based on empirical evidence. The May 7, 2016 crash of a Tesla Model S equipped with the Autopilot AV system feature is a real world example of why such regulatory action is necessary as well as the timely notification to NHTSA is essential.<sup>44</sup> Tesla has stated that it required drivers to acknowledge that they would remain engaged in the driving task. A functional safety analysis would have required Tesla to evaluate what happens when the system fails to identify a road hazard, when the driver is not engaged in the driving task, or when both failures occur simultaneously all of which are foreseeable. Functional safety requires consideration of all foreseeable and feasible failure modes, as well as unlikely and low probability failure modes. Blaming the driver for failing to heed a warning, or for over reliance on the AV system, is

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<sup>43</sup> NHTSA Enforcement Guidance Bulletin 2016-02: Safety-Related Defects and Automated Safety Technologies, Final Notice, NHTSA, 81 FR 65705, 65706 (Sept. 23, 2016).

<sup>44</sup> The Tesla Autopilot System has been the subject of investigation in other crashes, including another fatal crash in China in January of 2016, Neal Boudette, *Autopilot Cited in Death of Chinese Tesla Driver*, The New York Times (Sep. 14, 2016).

inexcusable when technological means of mitigating the risks of sensor failures and human behavior are available.

The risk classification for failures in this and similar systems being developed must be very stringent since failure of the Autopilot sensors or the detection algorithm while travelling would present an unreasonable crash risk. Such an analysis, likely, would have led to requirements that additional sensors be added to the vehicle to mitigate the sensor “blind spot” created by using visual data from a camera with limited input from additional technologies such as radar or lidar. Tesla subsequently announced that it had fixed the problem through a new software update to the Autopilot System.<sup>45</sup> This flaw would have and should have been detected by Tesla during a functional safety analysis of the Autopilot System. Without such a required analysis, there may be other instances where readily detectable and foreseeable problems were not identified until after a crash occurs.

The functional safety analysis might also have resulted in additional driver engagement requirements such as driver monitoring and warning systems, and stronger driver reengagement methods to ensure driver readiness to retake control of the vehicle. In the functional safety analysis, Tesla would have been required to research, test, and examine not just the Autopilot sensor array, but driver reengagement readiness to prove that the design enabled drivers to either remain engaged in the driving task (as Tesla stated was necessary) or that re-engagement could be successfully accomplished in a safe manner. In fact, after the fatal crash the company instituted more warnings to the driver to remain alert while the Autopilot System is engaged.<sup>46</sup> It is the NHTSA’s responsibility to require functional safety certification to eliminate the types of system failures that resulted in a fatality and eliminate the need for “after the fact” improvements which should have been anticipated.

While the NHTSA’s proposed voluntary submission of a letter (addressed above) has many of the hallmarks of what is needed to be reported to the agency, a regulation must, first and foremost, require manufacturers of AV systems for motor vehicles to adopt a functional safety process that will ensure that the manufacturer tests its AV system appropriately and comprehensively. Second, documentation of all test results, those that establish the functional safety of the system, as well as any information that indicates the failure of the AV system to fulfill functional safety parameters, must be provided to NHTSA in advance of placing the AV system or AV equipped vehicle in the stream of commerce. Finally, these aspects must be made mandatory, rather than voluntary, in order to ensure that the manufacturers are legally obligated to adopt an effective functional safety process and to supply all relevant information to the agency.

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<sup>45</sup> Louis Hansen, *Tesla turns to radar in upgrade of Autopilot*, The Mercury News (Sept. 11, 2016). In fact, Tesla has not provided any evidence that the problem has been fixed.

<sup>46</sup> *Id.*

### **Enforcement Authority**

In relation to the NHTSA's enforcement authority, the NHTSA AV Policy states that "when vulnerabilities of [automotive] technology or equipment pose an unreasonable risk to safety, those vulnerabilities constitute a safety-related defect"<sup>47</sup> that can spur the agency to investigate and take remedial action including ordering the manufacturer to conduct a safety recall.<sup>48</sup> Moreover, the agency's enforcement authority applies "notwithstanding the presence or absence of an FMVSS for any particular type of advanced technology."<sup>49</sup> Advocates strongly supports the NHTSA's enforcement efforts to investigate, identify and recall noncompliant or defective vehicles. Advocates views the enforcement role played by the agency as critical to ensuring that motor vehicles, once in use, perform safely. However, the agency position begs the question as to why the agency would forego issuing a prospective regulation to improve the safety performance of production models and eliminate safety flaws in AV systems before they are sold to the public. The NHTSA's enabling statute recognizes that the agency must act in a proactive manner to avoid and reduce crashes, injuries and deaths in the first place.<sup>50</sup> Rather than relying entirely on its enforcement authority, the agency should also be actively ensuring through regulatory, as opposed to only voluntary, action that AV systems are produced without production flaws before the AV systems are sold to the public, placed in the stream of commerce, and then subsequently have to be recalled.

The historic and well-founded approach of the NHTSA has been to require, in the first place, specific minimum performance requirements or standards that vehicle manufacturers must certify that each vehicle meets. These standards raise the quality and safety performance of motor vehicles before sale to the public. While its enforcement authority does permit the agency to investigate and recall vehicles for safety defects even if there is no underlying performance standard, the lack of an underlying performance standard may complicate the exercise of the agency's enforcement authority. This is a significant concern for electronically controlled systems and software where a specific flaw or malfunction may be more difficult to identify. If there is no underlying requirement or process, manufacturers will be far less cautious about ensuring the operating safety of the vehicle prior to sale.

Finally, although the NHTSA's enforcement authority is extensive, safety flaws may take years to identify and recall. This has been the situation with a number of safety recalls. In 2000, congressional hearings and the media revealed hundreds of needless deaths and injuries caused by the Firestone/Ford Explorer defective tire fiasco because of delayed agency action. Again, for the same reason, in 2009, families were put at unacceptable risk due to the Toyota sudden acceleration problem. In the past several years, the public has learned about the cover-ups and deception by General Motors which knowingly used faulty ignition switches that have been

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<sup>47</sup> NHTSA AV Policy, p. 50.

<sup>48</sup> NHTSA AV Policy, p. 50.

<sup>49</sup> NHTSA AV Policy, p. 50, citing NHTSA Enforcement Guidance Bulletin 2016-02: Safety-Related Defects and Automated Safety Technologies, 81 FR 65705, 65707 (September 23, 2016).

<sup>50</sup> 49 U.S.C. § 30101.

linked to at least 169 deaths and many more injuries because of long delayed agency action.<sup>51</sup> Furthermore, the defective air bags manufactured by Takata have resulted in millions of vehicle recalls and have caused at least 11 deaths in the U.S. and numerous injuries because, in part, of delayed agency action.<sup>52</sup>

Although its enforcement powers are necessary, they are not executed immediately after a safety defect involved crash occurs. It may then take months or years to establish that a defect exists and what the defect is and then more time to convince the manufacturer that a recall is appropriate and, even then, further negotiation to ensure that the scope of the recall is adequate, and all that time assumes that a remedy is available. Thus, while the agency's enforcement authority is necessary and essential, to identify safety defects, it does not provide the prophylactic safety effect of standards and regulations.

### **Exemption Authority**

Advocates is concerned with the NHTSA AV Policy's discussion of the use of exemption authority and proposed expansion of that authority. Compliance with safety standards must be maintained to ensure that all consumers are afforded a minimal level of safety. Advocates concurs with the agency statement that "[g]eneral exemptions do not excuse non-compliance with applicable standards simply because doing so would be inconvenient or inconsistent with the manufacturers' preferred vehicle design."<sup>53</sup> However the agency in its discussion regarding expanding its general exemption authority considers not only increasing the number of vehicles and duration of the exemptions, but also mentions the possibility of moving towards relaxed limitations or even eliminating numerical limits for exempt vehicles altogether.<sup>54</sup> Advocates strongly opposes this idea which will compromise safety.

As Advocates' comments on countless past general exemptions have shown, particularly from the FMVSS, the standard for proving that an alternative approach represents an equivalent level of safety to the existing regulatory requirement is murky.<sup>55</sup> Furthermore, Advocates is concerned that expansion of the exemption authority would lead to an alternative path around FMVSS compliance. Advocates concurs with the agency's expressed concern that "it would be important to guard against overuse of the exemption authority which might displace rulemaking as the *de facto* primary method of regulating motor vehicles and equipment."<sup>56</sup> For this reason alone, the expansion of exemption authority should be avoided. This is not the intent of the agency's organic statute, its current exemption authority, or the preferred means by which the agency should ensure public safety. Advocates recommends that the agency focus on efficiently

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<sup>51</sup> Angelo Young, *General Motors Ignition Switch Flaw Death Toll Rises To 169 Following Personal Injury Settlement; Penalty Costs Top \$2.1B*, International Business Times (Sept. 17, 2015)

<sup>52</sup> Ryan Beene, *11th U.S. death related to Takata airbags reported by Honda*, Automotive News (Oct. 20, 2016).

<sup>53</sup> NHTSA AV Policy, p. 55.

<sup>54</sup> NHTSA AV Policy, p. 76.

<sup>55</sup> Most exemption requests are supported by little or no substantive data that meets the equivalent level of safety legal standard.

<sup>56</sup> NHTSA AV Policy, p. 76 (emphasis added).

addressing current regulatory shortcomings and adapting current requirements through rulemaking rather than eviscerating the rules through exemptions.

#### **IV. Modern Regulatory Tools**

##### **Safety Assurance**

The discussion of Safety Assurance in the NHTSA AV Policy document confirms that the NHTSA could establish, by rule, a mandatory Safety Assurance requirement “to demonstrate that motor vehicle manufacturers’ and other entities’ design, manufacturing, and testing processes apply NHTSA performance guidance, industry best practices, and other performance criteria and standards to assure the safe operation of motor vehicles, before those vehicles are deployed on public roads.”<sup>57</sup> This could apply to level 0-2 vehicles as well as level 3-5 AVs as well. The agency makes clear that “NHTSA could implement many safety assurance tools without additional statutory authority.”<sup>58</sup> Advocates completely agrees and urges the agency to pursue this course of requiring manufacturers to establish a functional safety based assessment process to be reviewed by the agency. The adoption of a required safety assurance process for AVs would still be consistent with the manufacturer self-certification procedure required by existing law.<sup>59</sup> Manufacturers would have to comply with the safety assessment process and allow NHTSA an opportunity to review the AV documentation and request additional information. However, following the agency review the manufacturer would be able to self-certify the AVs as under current law. The agency would not itself pre-test prototype AVs to ensure that they conform to the FMVSS and the verifications contained in the manufacturer safety assessment.

##### **Pre-Market Approval Authority**

Pre-market approval would allow the agency to conduct testing on prototype vehicles and to ensure no AVs are marketed without approval. This may be particularly important for highly complex electronic aspects of vehicle control and to allow examination of computer programming and logic. However, it is an entirely different regulatory system that exists currently at the NHTSA. Regardless, the safety assessment aspect of the agency guidance could be put into place by rule, without the need for pre-market approval legislation.<sup>60</sup>

##### **Cease and Desist Authority**

Advocates strongly supports the enactment of legislation to afford the NHTSA cease and desist authority to immediately remediate imminent hazards. This authority, possessed by other

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<sup>57</sup> NHTSA AV Policy, pp. 70-71.

<sup>58</sup> NHTSA AV Policy, p. 71.

<sup>59</sup> Title 49, U.S.C., § 30115.

<sup>60</sup> The NHTSA’s discussion of a hybrid approval process that would combine self-certification of existing FMVSS and pre-market approval by the NHTSA, or a third party expert supervised by the agency, for AV features that are not subject to an FMVSS or regulation, still require Congress to pass pre-market legislation.

regulatory administrations, including the Federal Motor Carrier Safety Administration, would allow the agency to expedite taking action in the event that a serious problem or defect poses an immediate danger to public safety. In a number of previous and recent safety recalls, the agency might have invoked such authority to ground vehicles that pose a significant unreasonable risk to public safety. Imminent hazard authority would still require some measures of due process and court review to ensure that the agency does not act impetuously, but would allow a faster response to address a serious safety problem.

### **Post Sale Authority to Regulate Software Changes**

Advocates agrees with the NHTSA that the agency currently has authority to regulate software changes that update vehicle programming and could affect the basis for the original vehicle certification. As the software governing an AV is part of the vehicle or vehicle equipment, the agency has authority to regulate changes that could affect vehicle safety systems and that could result in a defect or give rise to an unreasonable risk to safety. The agency should require by regulation any post sale software update be submitted to NHTSA and made available for public review with a summary of the changes that were implemented.



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President



Joan Claybrook  
Consumer Co-Chair  
Former NHTSA Administrator