

June 5, 2024

Assemblymember Lori Wilson Chair, Assembly Transportation Committee 1021 O Street Sacramento, California 95814

RE: Senate Bill 915 (Cortese, 2024): OPPOSE

Dear Chair Wilson:

The undersigned organizations write to express strong opposition to SB 915, which would allow certain municipalities in California to enact their own ordinances to regulate an "autonomous vehicle service" that has been already approved by the California DMV and CPUC. In doing so,

SB 915 would permit cities to establish onerous requirements on autonomous vehicle ("AV") services in a manner that effectively bans AV commercial deployment, preventing Californians from being able to realize the safety and accessibility benefits that AVs promise.

Autonomous vehicles are making our roads safer, boosting supply chain efficiency, and creating new, high-quality career opportunities for California workers. As explained further below, SB 915 would undermine the ability of California's state authorities to regulate AVs, who have invested substantial state resources in carefully developing and administering AV regulations, while adding no benefit to safety and undermining accessibility for Californians.

SB 915 would not increase safety on California roads. The National Highway Traffic Safety Administration ("NHTSA") estimates that nearly 43,000 traffic deaths occurred in 2022—approximately 100 fatalities per day. In California alone, more than 4,400 lives were lost in motor vehicle crashes in 2022. SB 915 would create a roadblock to transformational technology that will improve the unacceptable safety status quo by creating an additional barrier to entry *unrelated to safety*, placing cities in the position of picking winners and losers irrespective of the safety determinations made by California's expert regulators.

SB 915 would nullify the decisions of California's experienced state regulators. Under California's comprehensive statutory and regulatory AV frameworks, the DMV has established robust regulations for the testing and deployment of AVs, imposing a range of obligations, including incident reporting requirements. The DMV issues permits to AV companies based on the agency's experience regulating vehicle safety and operation, and the Department has authority to suspend and revoke such permits upon determining an AV is not safe for operation on public roads. Moreover, the CPUC has established an additional layer of regulatory requirements for AV passenger services pursuant to its authority to regulate transportation network companies ("TNCs"). The CPUC has established four AV programs that, among other obligations, require AV passenger services to submit passenger safety plans and extensive trip-level information as part of their authorizations. These state regulatory frameworks are designed to adapt to the AV industry as it matures, and processes to establish and update the respective rules for AVs provide significant opportunities for public participation. SB 915 would throw away the decade of experience these agencies have spent regulating AVs by preventing an AV service that has been approved by the DMV and CPUC from operating in a city with an ordinance established under SB 915 that is onerous or inconsistent with other local ordinances.

SB 915 would prevent unified AV operations and block mobility options for Californians.

The enactment of SB 915 would permit cities to effectively halt AV commercial operations. Despite stating that ordinances "shall not ban" the safe operation of AVs, the bill would not prevent cities from establishing requirements designed to or in effect deter AVs from operating, whether by establishing low vehicle caps under the guise of preventing traffic congestion, or through setting unreasonable maximum rates that prevent AV companies from scaling operations. Allowing large cities to create such an ordinance would impact the availability of AV

services in surrounding areas as well, since smaller neighboring cities would not be able to create more reasonable AV ordinances, and AV companies would be unlikely to deploy in areas without a unified regime that provides a realistic path to scaled deployment.

Moreover, any reasonable permit programs that are created will likely impose inconsistent requirements. At best, SB 915 threatens to create a small patchwork of local ordinances that blocks mobility options for all Californians. Those who stand to benefit the most from expanded AV services—including residents with disabilities, the elderly, those living in food and transit deserts, small businesses, farmers, and manufacturers needing to move goods—will not see the technology's benefits if their local government enacts an ordinance that effectively bars AVs from operating in that jurisdiction, either because it is inconsistent with neighboring jurisdictions or unnecessarily restrictive. Additionally, with a patchwork of local ordinances, companies approved to operate in California would be further discouraged from investing the considerable time and resources needed to comply with potentially inconsistent requirements.

Impeding AV operations would have a disproportionately negative effect on California residents with mobility challenges. The U.S. Department of Transportation estimates that some 25.5 million Americans have travel-limiting disabilities,¹ with another study finding that roughly 560,000 people with disabilities never leave their homes due to transportation difficulties.^{2[2]} Often these difficulties stem from a lack of accessible or convenient public transportation or an inability to operate their own vehicle, as is the case for the over 7.8 million Americans reported to have a visual disability.^{3[3]} The lack of transportation access can translate to having trouble getting and keeping a job—only 17.5% of people with disabilities are employed, compared to 65% of people without a disability.^{4[4]} Fortunately, AVs are well positioned to expand access to the world for millions of Americans with mobility challenges, including residents across California. AVs, operating on their own or as part of existing paratransit programs, will allow individuals with disabilities to access resources and jobs with greater ease, reaping economic and social benefits that were previously hard to achieve. However, cross-jurisdiction operation is foundational to AVs being able to provide such benefits.

AVs will create new, high-quality jobs while avoiding displacement of current drivers. In addition to enhancing safety on our roadways and increasing mobility, the AV industry is currently leveraging the existing workforce to create new roles for all education and skill levels. Many of the jobs created do not require a college degree, such as service technicians, remote assistance operators, mapping data collectors, delivery packers, and more. According to one study, the wider deployment of AVs can create over seven million new jobs by 2035, all while

¹U.S. Dep't of Transp., Accessibility, (July 29, 2020) <u>https://www.transportation.gov/accessibility</u>.

² Bureau of Transp. Stat., *Transportation Difficulties Keep Over Half a Million Disabled at Home* (Nov. 21, 2012), https://www.bts.gov/archive/publications/special_reports_and_issue_briefs/issue_briefs/number_03/entire

³ Blindness Statistics, National Federation of the Blind, <u>https://nfb.org/resources/blindness-statistics</u> (last visited February 7, 2024).

⁴ Economic News Release, U.S. Bureau of Labor Stat., Persons with a Disability: Labor Force Characteristics Summary(Feb. 24, 2021), <u>https://www.bls.gov/news.release/disabl.nr0.htm</u>.

expanding access to affordable delivery services.^{5[5]} In particular, those with experience in the trucking industry, particularly as truck drivers, will continue to offer valuable skills to AV trucking employers. California's truck drivers and autonomous truck drivers will coexist and thrive together. According to federal government data, the U.S. must move 50% more freight by 2050. That is happening against a backdrop of a severe truck driver shortage of 78,000 that is estimated to double by 2031. California must find a way to move *more* freight with *fewer* people to do it, and autonomous trucks are one of the potential solutions to this challenge that will exist along with truck drivers.

Autonomous vehicle services will usher in a new era of mobility that makes California's transportation system safer, more efficient, and more accessible, while bringing substantial economic benefits to the state. We strongly believe California should continue to support safety-enhancing policies without foreclosing a future with autonomous vehicles. For the reasons described above, we respectfully strongly oppose SB 915.

Sincerely,

Autonomous Vehicle Industry Association (AVIA) **ACES Mobility Coalition** Alliance for Automotive Innovation American Petroleum and Convenience Store Association Aurora AUVSI Bay Area Council California Alliance for Freight Innovation California Asian Pacific Chamber of Commerce California Chamber of Commerce California Delivery Association California Hispanic Chambers of Commerce California Manufacturers & Technology Association (CMTA) Campbell Chamber of Commerce Central City Association of Los Angeles Central Valley Yemen Society **Chamber of Progress** Chamber San Mateo County Coalition of California Chambers – Orange County Coalition of Small & Disabled Veteran Businesses

⁵ STEER, ECONOMIC IMPACTS OF AUTONOMOUS DELIVERY SERVICES IN THE U.S. xi (2020), <u>https://www.steergroup.com/sites/default/files/2020-09/200910_%20Nuro_Final_Report_Public.pdf</u>.

Consumer Technology Association Daimler Truck North America Drew Boyles, Mayor, City of El Segundo Einride **Endless Pursuit Corporation** Family Business Association of California Flasher Barricade Association Foster City Chamber of Commerce Fremont Chamber of Commerce Gatik Inland Empire Economic Partnership Kodiak Latin Business Association (LBA) Los Angeles Area Chamber of Commerce Los Angeles Business Council Los Angeles County Business Federation (BizFed) Luminar MEMA, The Vehicle Suppliers Association Motional Mountain View Chamber of Commerce National Federation of Independent Business (NFIB) - California National Federation of the Blind National Federation of the Blind - California Navistar, Inc. Nuro **Orange County Business Council** Palo Alto Chamber of Commerce Plus AI **Relles** Florist San Diego Regional Chamber of Commerce San Francisco Chamber of Commerce San Juan Capistrano Chamber of Commerce San Mateo Chamber of Commerce San Mateo County Economic Development Association Santa Monica Chamber of Commerce **SAVE** Coalition Silicon Valley Leadership Group (SVLG) Si Se Puede! Fresno County Si Se Puede! Kern County Si Se Puede! Kings County

Si Se Puede! Tulare County Spartan Radar Stack AV Star Milling Co Steve McShane, City Councilman, City of Salinas TechNet Tesla **Torc Robotics** Town of Danville Uber United Spinal Association Valley Industry & Commerce Association (VICA) Volvo Autonomous Solutions Volvo Group North America Waabi Innovation Waymo World Blind Union Zoox