Policy Rundown

For ITS America Advocacy Trust and Innovation Trust

Federal Administration Policy and Regulatory News

Automated and Connected Vehicle Cyber Security and Privacy now in Focus in Washington

ITS America, as part of its cybersecurity task force will be actively involved with our advocacy trust members on the development of a Federal Trade Commission (FTC)/National Highway Traffic Safety Administration (NHTSA) workshop on Connected Cars: Privacy, Security Issues Related to Connected, Automated Vehicles.

The FTC's primary legal authority comes from Section 5 of the Federal Trade Commission Act, which prohibits unfair or deceptive practices in the marketplace. The FTC also has authority to enforce a variety of sector specific laws and its enforcement actions have addressed practices offline, online, and in the mobile environment. NHTSA is authorized by Congress to protect the safety of the driving public against unreasonable risks of harm that may occur because of the design, construction, or performance of a motor vehicle or motor vehicle equipment. NHTSA's current views on emerging automotive technologies, such as automated and connected vehicles, including its view that when vulnerabilities of such technology or equipment pose an unreasonable risk to safety, those vulnerabilities constitute a safety-related defect.

In a filing for the workshop, the Electronic Frontier Foundation (EFF) blasted the Connected Vehicle effort, calling the safety benefits “theoretical” and claiming Vehicle-to-X will be used to track drivers' whereabouts. EFF also claimed that other transportation technologies also such as Automatic License Plate Reader (ALPR), and by implication, other
vehicle detection technology (bluetooth detection, CCTV and camera based solutions, radar etc) will be used for wholesale tracking. ALPR, in particular, is claimed to have the “dystopian ability to track the movements of the 95% of American households that have a vehicle.”

ITS America seeks to refute these claims and others and will file comments to the Federal Trade Commission. For Advocacy Trust members, if you want to get involved in our Cybersecurity Task Force Our task force, supported by the Cyber Future Foundation will meet May 25 to discuss ITS America’s filing to the FTC and a refined approach in addressing technical and institutional issues regarding the security and privacy of new technology.

Contact Steven H Bayless, VP for Public Policy and Regulatory Affairs at 202-721-4229, or email Jeff Davis SVP for Membership and Business Development at jdavis@itsa.org if you want to get involved in the Advocacy Trust efforts.

ITS America’s public policy on priorities on cybersecurity is focused on expanding support at the State and Local levels to address the cybersecurity of transportation infrastructure and smart communities. For tech and automotive sectors, we are in the resisting uncoordinated efforts by or requests for Federal agencies to impose disparate requirements on cybersecurity.

Legislative News

**ITS America Urges Congress to Support Increased Investment in Intelligent Transportation Technology**

In a letter sent to the leadership of the House of Representatives Committee on Appropriations Subcommittee on Transportation, Housing and Urban Development, and Related Agencies for its May 18, 2017 hearing on "Emerging Transportation Technologies," ITS America urged the Subcommittee to support increased investments in the rapid deployment of intelligent transportation technologies throughout the transportation system. ITS America wrote, “Intelligent transportation can solve many of our nation’s most critical transportation challenges,” and that “Integrating technology on a large scale into both existing and new infrastructure will create safer, more efficient, sustainable, accessible and equitable mobility.”
Along with 10 other organizations, ITS America also signed onto the Safety Spectrum Coalition letter sent to the Subcommittee urging deployment of Dedicated Short Range Communications (DSRC), supported by the 5.9 GHz safety spectrum band. The 5.9 GHz band can be used by cars, trucks, public transit, and other road users to communicate with each other and with the surrounding infrastructure. The communication system will save lives and significantly reduce the injuries, damage and congestion caused by motor vehicle crashes.

House Subcommittee on Digital Commerce and Consumer Protection Briefs ITS America on Draft AV Bills

On Thursday, May 18, 2017, ITS America’s Advocacy and Innovation Trust received a briefing from the Majority Staff to the House Committee on Energy and Commerce Subcommittee on Digital Commerce and Consumer Protection on draft legislative proposals designed to facilitate the development, testing, and deployment of self-driving cars.

Questions from Advocacy and Innovation Trust members mainly focused on two draft proposals that would preempt states from regulating testing and deployment of autonomous vehicles and proposals that would expand the authority of the Secretary to grant FMVSS exemptions.

ITS America is requesting Advocacy and Innovation Trust members to submit or revise comments already submitted by May 30, 2017, to our Vice President of Legislative Affairs Ron Thaniel at rthaniel@itsa.org.

State Pre-Emption:

TEST (Testing Enables Safer Technology) Act prohibits States from prescribing any standard or regulation on highly autonomous vehicles that are being tested in the State as it relates to the design, construction, performance or durability; and the presence of a human driver in a highly autonomous vehicle.
LEAD’R (Let NHTSA Enforce Autonomous Vehicle Driving Regulations) Act establishes NHTSA as the sole regulatory authority responsible for prescribing motor vehicle safety standards.

**Exemptions:**

PAVE (Practical Autonomous Vehicle Exemptions) Act of 2017 would expand the authority of the Secretary to grant FMVSS exemptions.

ROAD (Renewing Opportunities for Autonomous Vehicle Act establishes renewals for FMVSS exemptions.

MORE (Maximizing Opportunities for Research and the Enhancement Act of AVs Act extends the authority in 49 U.S.C. 30112(b) to test motor vehicles that are not in compliance with FMVSS to manufacturers and distributors of motor vehicle equipment.

EXEMPT (Expanding Exemptions to Enable More Public Trust) Act expands the Secretary’s authority to exempt motor vehicles from FMVSS on the basis that the exemption would promote public adoption and acceptance.

MEMO (Managing Government Efforts to Minimize Obstruction) Act directs the FTC and NHTSA to develop an MOU regarding the oversight of vehicles pertaining to privacy and cybersecurity.

AV PROMPT (Pre-Market Approval Reduces Opportunities for More People to Travel Safely) Act establishes that the Secretary shall not institute a pre-market approval or pre-certification process.

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**U.S. Senate Confirms Jeffrey A. Rosen as Deputy Secretary of U.S. Department of Transportation**

On Tuesday, May 16, 2017, the U.S. Senate confirmed Jeffrey A. Rosen as the 18th Deputy Secretary of the U.S. Department of Transportation. Deputy Secretary Rosen has experience in the transportation sector, serving previously as General Counsel at both the Department of Transportation and the Office of Management and Budget. Rosen had been a Senior Partner at Kirkland & Ellis LLP, with whom he had been associated for nearly 30 years both before and after two appointments.

Deputy Secretary Rosen was previously appointed as General
Counsel and Senior Policy Advisor for the White House Office of Management and Budget (2006 to 2009) and as General Counsel at the U.S. Department of Transportation (2003 to 2006). He received a B.A. with Highest Distinction from Northwestern University (1979) and a J.D. Magna Cum Laude from Harvard Law School (1982). He is a member of the D.C. Bar, as well as the bars of the U.S. Supreme Court and nine other courts.

**U.S. Department of Transportation Key Appointments**

On Saturday, May 20, 2017, the U.S. Department of Transportation posted the following key staff appointments to work for Secretary Elaine Chao:

- Anthony Bedell, Deputy Assistant Secretary for Intergovernmental Affairs
- Michael Britt, Senior Advisor to the Secretary for ATO Modernization
- Chris Brown, Associate Administrator, Government and Industry Affairs, FAA
- Geoff Burr, Chief of Staff
- Thomas 'Finch' Fulton, Deputy Assistant Secretary of Transportation Policy
- Wendy Gehring, Director of Scheduling
- Laura Genero, Senior Advisor to the Secretary for Strategic Communications
- Todd Inman, Director of Operations
- Ruth Drinkard Knouse, Director of Executive Secretariat
- Matthew Kopko, Counselor to the Deputy Secretary
- Marianne McInerney, Assistant to the Secretary and Director of Public Affairs
- Sean McMaster, Deputy Assistant Secretary for Congressional Affairs
- James Ray, Special Advisor to the Secretary for Infrastructure
- G. Bryan Slater, Assistant Secretary for Administration
- Tamara Somerville, Senior Advisor

Biographies can be found on the Department’s website.

View Here

**Secretary Chao Testifies on FAST Act Implementation; Questions Focus on President’s Infrastructure Plan**
On Wednesday, May 17, 2017, U.S. Department of Transportation Secretary Elaine Chao testified before the Senate Committee on Environment and Public Works hearing entitled "Improving America’s Transportation Infrastructure: The Road Forward." While the Secretary’s written testimony primarily focused on steps the Department is already taking to improve infrastructure by implementing FAST Act, the questions from the Committee mainly focused on the Administration's infrastructure plan. Here are the highlights:

- The Administration’s infrastructure plan principles will be released the latter part of May with a more detailed legislative package likely the third quarter of the year.

- An infrastructure task force of 16 different federal government departments and agencies are consulting on the plan.

- The plan will include $200 billion in direct federal funds, and these funds will be used to leverage $1 trillion in infrastructure investment over ten years.

- When it comes to funding offsets for the plan, the Secretary said, “everything is on the table.

- States and localities that have secured some funding or financing of their own for infrastructure projects will be given higher priority access to new federal funds.

- The plan will not contain a list of specific projects.

- The plan will not be one-size-fits-all. The infrastructure package will address the needs of the entire country, urban and rural.

- The plan is expected to include regulatory, administrative, organizational, and policy changes to speed project delivery and reduce uncertainty.

“The Road Ahead: The Next Generation of Mobility” Summer Roundtable Series

ITS America will lead a series of policy roundtables this summer on how advanced transportation technologies driven by automation, artificial intelligence, wireless communications, and cloud computing are shaping public
policy and changing the way people and goods move in cities, metropolitan areas, and states.

From connected and autonomous vehicles and infrastructure to “sharing economy” mobility, the ITS America roundtables will help policymakers at federal, state, and city levels of government locate the balance that fosters dynamic innovation while serving as a catalyst for safe testing and deployment of advanced transportation technologies. Topics include:

“States’ Perspective on Potential Federal Preemption of the Testing and Deployment of Highly Autonomous Vehicle”

“Protecting Transportation Infrastructure and Systems from Cyber Security Threats: Understanding the Threat and Recommendations from ITS America’s Cyber Security Task Force”

“How Cities and Metro Areas Are Preparing for Connected and Autonomous Vehicles”

Dates, times and locations for ITS America summer roundtables will be announced in the coming weeks. For more information contact our Vice President of Legislative Affairs Ron Thaniel at rthaniel@itsa.org

State and Local Developments

San Francisco Considering Ban on Autonomous Delivery Robots

On May 16, 2017, San Francisco Board of Supervisors member Norman Yee introduced an ordinance (170599) that would bar the operation of autonomous delivery robots on sidewalks and rights-of-way. If passed, violators of the ordinance would be subject to administrative, civil, or criminal penalties. Manufacturers of these types of delivery bots include Marble, Starship Technologies, and Dispatch.

According to a San Francisco Chronicle article, Yee wants to ban these devices primarily to keep sidewalks safe for “seniors, children, and people with disabilities can’t maneuver quickly” enough to avoid running into the delivery bots. The article also cites other concerns raised by Yee including privacy, jobs taken away from delivery personnel, and terrorism. Reportedly, Yee is championing an outright ban because he has concluded that regulations would be too
difficult to enforce. In the article, Yee says: “People don’t think about the negative impacts of these creative new ideas until it’s too late....I’m trying to prevent some of the things that we did not prevent with other innovations.”

The ordinance will be considered by the Board next month, according to a KCBS article.

**Georgia AV Legislation Signed Into Law**

Earlier this month, Georgia Governor Nathan Deal (R) signed GA [Senate Bill 219](#) into law that will allow autonomous vehicles to operate on the State’s roads. Among the bill’s requirements are provisions regarding licensing, registration, insurance, and safety. According to an Atlanta Journal-Constitution article, the legislation was supported by “traditional manufacturers, technology companies, and ride-share companies.”

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