Policy Rundown

For ITS America Advocacy Trust and Innovation Trust

Federal Administration Policy and Regulatory News

Key Senate Hearings Nominations related to Telecom and Automated and Connected Vehicle

Last week, Senate Commerce Committee held the confirmation hearing for David Redl for Administrator of the Department of Commerce’s National Telecommunications and Information Administration (NTIA), and Derek Kan as Under Secretary of Transportation for Policy at the US Department of Transportation.

David Redl, previously senior counsel for the House Energy Commerce Committee and was active in the shaping the current debate about spectrum sharing. As required by the Middle Class Tax Relief and Job Creation Act of 2012, NTIA conducted a study examining the risks of sharing spectrum in the 5.9GHz band for Dedicated Short Range Communications (DSRC) supporting Vehicle-to-X communications. As outlined by key members of the Senate Commerce Committee in 2015, the FCC in close coordination with USDOT and NTIA is taking the lead to ensure that requisite spectrum testing and modelling is conducted. NTIA also is responsible for Next Generation 911, FirstNet Public Safety Broadband, federal spectrum sharing, GPS, Rural Broadband, and other areas of transportation interest.

Derek Kan, a former Lyft General Manager, is nominated as Under Secretary of Transportation for Policy. Kan was
an aide to Senate Majority Leader Mitch McConnell, the husband of Transportation Secretary Elaine Chao, from 2008 to 2010. Before that, Kan was the Senate Republican Policy Committee’s chief economist. Since 2015, he’s been on the Amtrak board of directors.

In the hearing - Senator Peters (D-MI) asked both Messrs. Redl and Kan to commit to a transparent process to testing 5.9GHz to preserve auto safety for 5.9GHz DSRC. Senator Capito (R-WV) asked Mr Khan whether he saw transportation and broadband as “hand and hand” in any new infrastructure initiative moving forward. Mr. Kan answered he saw the two as synergistic, especially in reference to permitting and right-of-way access.

**Legislative News**

**ITS America Host Infrastructure Bill Conference Call; Developing Strategy for Technology Investments**

ITS America hosted an Advocacy and Innovation Trust conference call on Monday, June 12, 2017, to strategize about how to meaningfully advance intelligent transportation technologies in the drafting of the House and Senate infrastructure bills.

With the majority staff to the House Committee on Transportation and Infrastructure and majority staff to the Senate Committee on Environment and Public Works drafting infrastructure bills, the conference call presented two strategies for Advocacy and Innovation Trust members to consider. The strategies were based on numerous conversations with the majority and minority staff to the House Committee on Transportation and Infrastructure and Senate Committee on Environment and Public Works. Both committees are likely to use the Fixing America Surface Transportation (FAST) Act as the structure for the transportation title of the $200 billion in federal funding for infrastructure. It remains largely unclear how much of the $200 billion would be for transportation and the source of the funding.
The first approach focused on policy tweaks to the infrastructure bill’s FAST Act structure that would prepare states and cities for connected and autonomous vehicles, smart traffic, mobility and parking management. Recommendations include connected and autonomous vehicle eligibility in more program titles; roadway elements that can increase the deployment and effectiveness of connected and autonomous vehicles; increase federal share for intelligent transportation technologies; and increase overall funding for programs that support deployment, as well as research, of intelligent transportation technologies. The second approach focused on new programs that would increase federal commitments for intelligent transportation technologies, and revisit programs that are currently not in the FAST Act but were either included in prior surface transportation laws or considered by the U.S. Department of Transportation and supported by prior Administrations and had support in Congress.

Although the focus of the majority staff is the FAST Act structure for the infrastructure bill, there is interest on the Hill for a robust innovation title that could include new intelligent transportation investments and programs. Therefore, ITS America’s legislative affairs and policy teams will further refine and advocate support for both approaches. For more information, please contact Ron Thaniel at rthaniel@itsa.org.

**Senators Release Bipartisan Principles for Self-Driving Vehicles Legislation**

U.S. Senators John Thune (R-SD), Gary Peters (D-MI), and Bill Nelson (D-FL) released principles on June 13, 2017, for bipartisan legislation on self-driving vehicles in advance of the June 14, 2017, Senate Commerce, Science, and Transportation Committee hearing, “Paving the Way for Self-Driving Vehicles.” Thune, Peters, and Nelson will continue efforts to finalize legislation. No date or deadline for introduction has been set.

ITS America met with the Senate Commerce, Science, and Transportation Committee majority staff last week. We will continue to inform the Committee throughout this important process of ITS America’s policy priorities for AV legislation.
Principles for Bipartisan Legislation on Self-Driving Vehicles:

The legislation aims to direct strong federal leadership that ensures safe self-driving vehicles on the road and reduces regulatory conflicts to the safe and rapid testing and deployment of this transformative technology.

**Prioritize Safety:** Legislation must consider both the near-term and long-term regulatory oversight of these vehicles, recognizing that new safety standards governing these vehicles should eventually be set.

**Promote Continued Innovation and Reduce Existing Roadblocks:** Legislation must allow the life-saving safety benefits of self-driving vehicle technology to move forward as new standards development is underway. Legislation must find ways to preserve and improve safety while addressing incompatibility with old rules that were not written with self-driving vehicles in mind.

**Remain Tech Neutral:** Legislation must be technology neutral and avoid favoring the business models of some developers of self-driving vehicles over others.

**Reinforce Separate Federal and State Roles:** Legislation must clarify the responsibilities of federal and state regulators to protect the public and prevent conflicting laws and rules from stifling this new technology. Legislation must be based on the existing relationship between federal and state regulators and their current separation of authority, but make necessary targeted updates for new challenges posed by the current regulatory environment with respect to self-driving vehicles.

**Strengthen Cybersecurity:** Legislation must address the connectivity of self-driving vehicles and potential cybersecurity vulnerabilities before they compromise safety.

**Educate the Public to Encourage Responsible Adoption of Self-Driving Vehicles:** Legislation must review consumer education models for self-driving vehicles and address how companies can inform the
public on what self-driving vehicles can and cannot do based on their level of automation and their individual capabilities.

More than 250 Members of the House Urge A Highway Trust Fund Solution in Tax Reform

More than 250 members of House of Representatives urged House Ways and Means Chairman Kevin Brady (R-TX) and Ranking Member Richard Neal (D-MA) in a letter on June 12, 2017, to include a long-term solution for the Highway Trust Fund as part of the Committee’s work on tax reform. Led by House Committee on Transportation and Infrastructure Subcommittee on Highways and Transit Chairman Sam Graves (R-MO) and Ranking Member Eleanor Holmes Norton (D-DC), the letter states

“As the Committee on Ways and Means continues to work toward a much-need update of the U.S. tax code, you have an opportunity to fix the Highway Trust Fund (HTF).” Furthermore, “Over the past 30 years, all HTF revenue enhancements have been included in larger tax and deficit reduction packages.” To view the letter go to https://www.politicopro.com/f/?id=0000015c-9e66-d141-a1de-bf666cb90001.

House Subcommittee Explores How IoT is Creating, Innovating, and Connecting; ITSA Advocacy Trust Member General Motors Testifies

The House Committee on Energy and Commerce Subcommittee on Digital Commerce and Consumer Protection on June 13, 2017, held a hearing to discuss how businesses are leveraging the Internet of Things (IoT) to create, innovate, and connect.

ITS America’s Advocacy Trust Member General Motors was represented on the panel by Peter B. Kosak, the Executive Director for Urban Active Solutions at General Motors. His testimony focused on new initiatives by General Motors to address the changing mobility needs of our customers. Here are the key takeaways from General Motors testimony:

- GM is extending its core business into the transportation-as-a-service space – where embedded
connectivity, app-based access, and data science are transformative.

- GM has created a new brand called Maven – a platform for on-demand mobility, offering multiple car-sharing products for consumers and businesses.
- GM launched an on-demand leasing program for rideshare drivers in March 2016. This provides Gig drivers access to vehicles on a weekly rental basis for those who want to work for an app-based ridesharing or delivery company.
- GM’s autonomous development and testing is now underway on public roads in San Francisco, CA; Scottsdale, AZ; and Warren MI.

State Policy Developments

Washington State Gov. Inslee Signs AV Executive Order

On June 7, 2017, Washington State Governor Jay Inslee (D) signed an Executive Order regarding autonomous vehicles. The Order authorizes pilot programs and establishes certain requirements for entities seeking to test autonomous vehicles, with or without human drivers, on the State’s roads. Participating entities must self-certify with the Department of Licensing (DOL) that they have met these requirements. Within 60 days of issuance of the Order, the DOL must be ready to accept these notifications. The Order also establishes an interagency work group—comprised of various state agencies—to “assess state government’s role in cultivating the safe development of automated technology in vehicles on public roads,” to propose—based on the results of the pilot programs—changes to State policies, rules or statutes impacting AVs, and collaborate—where appropriate—with local, regional and federal officials, stakeholders and industry groups.

CT Gov. Malloy Will Sign AV Legislation

On June 5, 2017, Connecticut Governor Dannel Malloy (D) signaled his intent to sign Senate Bill 260—an act concerning autonomous vehicles—passed by the Connecticut Legislature. The legislation enables pilot programs for the testing of autonomous vehicles—that
have a human in the driver’s seat—in up to four municipalities. The legislation establishes certain requirements for entities seeking to test autonomous vehicles. Municipalities may apply with the Secretary of the Office of Policy and Management to participate in the pilot program and those selected will be required to enter into a written agreement with autonomous vehicle tester(s). The legislation also establishes an autonomous vehicles task force to: 1) evaluate standards established by NHTSA regarding state responsibilities for regulating fully autonomous vehicles, (2) evaluate laws, legislation and regulations proposed or enacted by other states to regulate fully autonomous vehicles, (3) recommend how the State should regulate fully autonomous vehicles through legislation and regulation, and (4) evaluate the pilot program established by this act.

**RIDOT Issues RFI on Next Generation Transportation Systems**

On June 8, 2017, the Rhode Island Department of Transportation (RIDOT) announced the issuance of a Request for Information (RFI) on next generation transportation systems, including connected and autonomous vehicles. The RFI is seeking information about: opportunities for partnerships; impact on the state’s capital planning and execution process; regional safety programs (including law enforcement and security); environmental conditions; state laws and regulation; and workforce and professional training needs within the state. Respondents are encouraged to submit proposals for a proof of concept pilot CAV or on-demand ride sharing service deployment in Rhode Island that would support and/or resolve issues included in the six topic areas. The submission deadline is July 12, 2017 at 11:30 am.

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