POLICY RUNDOWN

May 21-26, 2018

Note: Congress is in recess next week; Policy Rundown will return the week of June 11 following the ITS America Annual Meeting.

We hope you will join us in Detroit, June 4-7! We have a great line-up of sessions and speakers, including NHTSA Deputy Administrator Heidi King, Michigan Governor Rick Snyder, GM’s Mark Reuss, and Panasonic’s Tom Gebhardt. Program and other details about the annual meeting can be found here.

For Advocacy Trust and Start-Up Members

Federal Administration Policy and Regulatory News

Federal Highway Administration to Launch National Dialogue on Highway Automation at ITS America’s Annual Meeting in Detroit June 7.

The Federal Highway Administration (FHWA) is initiating a national conversation with partners and stakeholders on key areas of interest on vehicle and infrastructure automation. This National Dialogue on Highway Automation represents a series of meetings held across the country to facilitate information sharing, identify key issues and prepare the infrastructure and the broader transportation community to safely and efficiently integrate automated vehicles into the road network. Input received during the National Dialogue will help inform FHWA research, policies, and programs and will aid in the
development of a national transportation community for automation.

The launch of National Dialogue on Highway Automation is at ITS America’s 2018 Annual Meeting in Detroit on June 7. If you already registered for ITS America, please modify your registration to now include the “National Dialogue on Highway Automation – Launch Workshop.” There is no cost to attend the event, however space is limited. Register early to guarantee a space. (If you are only attending the Workshop and not the ITS America Annual Meeting, select the “Workshop Only” option.)

**Department of Homeland Security Announces Funding for Preparedness Grants**

DHS announced May 21st that it would make funding available for eight preparedness grant programs for fiscal 2018, including several related to transportation security. The department said it would provide $100 million for ports; $88 million for transit; $10 million for intercity passenger rail and Amtrak; and $2 million for its intercity bus security grant program. DHS also published its Cybersecurity Strategy in May 15th.

**Legislative News**

**House Appropriations Committee Approves Transportation-HUD FY19 Spending Bill**

The House Appropriations Committee approved, on Wednesday, May 23, the FY19 Transportation, Housing and Urban Development spending bill. The bill reflects the second year of the bipartisan budget agreement reached earlier this year and includes $27.8 billion in discretionary appropriations for the Department of Transportation (DOT). This is $542 million above the FY18 enacted level and $11.7 billion above the President’s request. In total budgetary resources, including offsetting collections, the
The bill provides $46 billion for federal-aid highways, which is $1 billion above the FY18 level. The bill includes an extra $4.25 billion from the general fund for Highway Infrastructure Programs, which is $1.7 billion more than FY18 and $4.25 billion more than the budget request. $3.812 billion is for road and bridge projects eligible under the Surface Transportation Block Grant program [23 U.S.C. 133(b)(1)(A)]. Eligible projects under 23 U.S.C. 133(b)(1)(A) include the construction of highways, bridges, and tunnels. The term construction means construction or reconstruction and includes improvements that directly facilitate and control traffic flow, such as traffic control systems. Areas that are not eligible for the extra funding include infrastructure-based intelligent transportation systems capital improvements, including the installation of vehicle-to-infrastructure communication equipment; congestion pricing, including electronic toll collection and travel demand management strategies; and pedestrian and bicycle projects. The extra funding also includes $250 million for projects eligible under the Highway Safety Improvement Program 23 U.S.C. 148(e)(1). Pedestrian and bicycle projects are eligible for funding. The bill does not continue funding for Competitive Bridge Grants, which received $225 million for FY18.

Innovation

There is $67.5 million for the Technology and Innovation Deployment Program, $60 million for the Advanced Transportation and Congestion Management Technologies Deployment Program, and $100 million for the Intelligent Transportation Systems Program. All these programs are funded at FY19 FAST Act authorized levels. The legislation includes $150 million for the Magnetic Levitation Deployment Program. The bill includes $56 million for Unmanned Aircraft Systems (UAS) integration.
The legislation provides $982 million for the National Highway Traffic Safety Administration, which is a $34 million increase over FY18 and $67 million above the budget request.

FMCSA

The bill provides $666 million for the Federal Motor Carrier Safety Administration. The legislation does not continue funding for the Highly Automated Vehicle Research and Development Program, which was funded at $100 million in the FY18 Omnibus. Some appropriators question if the U.S.D.O.T. is prepared for another round of funding for the Highly Automated Vehicle Research and Development Program.

BUILD

The BUILD program (formerly known as TIGER) is funded at $750 million, which is half of what TIGER was funded at for FY18. The bill includes language to ensure a balanced allocation of funding, with $250 million going to rural areas, $250 million going to urbanized areas over 200,000 population, and $250 million for port projects. For projects in urbanized areas, DOT is directed to prioritize multimodal projects and projects on major corridors of the national freight network. For projects in rural areas, DOT is directed to prioritize applications for bridge replacement and rehabilitation projects including off-system bridges. The bill does not include planning grants.

FTA

The bill provides $13.6 billion for the Federal Transit Administration, which is $141 billion above FY18 and $2.5 billion above the President’s request. This includes $9.939 billion from the Mass Transit Account of the Highway Trust Fund, plus $800 million from the general fund for Transit Formula Grants and $2.6 billion for Capital Investment Grants, of which $1 billion is available to cover Full Funding Grant Agreements and $1 billion for new projects. This is $31 million below FY18 and $1.6 billion above the budget request.
House Appropriations FY19 Transportation-HUD Committee Report said on May 22, 2018, that the full benefits of Connected, Automated Vehicle and Infrastructure Systems (CAVIS) would be realized when "integrated CAVIS are broadly deployed into real-world environments." The Committee Report is clear that the "Committee supports the planned transition of this technology into real world settings in partnership with federal, state and local agencies, academic institutions and the private sector."

AV Proving Grounds

Regarding AV proving ground pilot sites, the Committee Report encourages the Department of Transportation to "support the development of proving grounds that have existing facilities and workforce capable of performing testing and research independently or in conjunction with NHTSA's Vehicle Research and Testing Center on passenger and commercial vehicles." Appropriators urge the Secretary of Transportation to "consider the extent to which proving grounds have the capacity to gather and share critical data with the federal government and other testing facilities."

"Testing at such facilities should include but not be limited to: advanced driver automation systems; intersections, multiple lanes, and pedestrian crosswalks; vehicle-to-vehicle and vehicle-to-infrastructure communications; high-speed testing, including vehicle swarming and truck platooning; all-season and day/night environments; and wet and dry vehicle dynamics."

Highly Automated Vehicle Research and Development Program

Regarding the Highly Automated Vehicle Research and Development Program that received $100 million in the FY18 spending bill, the Committee Report states that appropriators expect the Department of Transportation to "continue to dutifully implement that program in fiscal
year 2019 in a manner that is consistent with the intent of Congress.

Data Access

The Committee Report states “Vehicle data from highly automated vehicles must be made available to the parties involved, their insurers and authorized representatives on reasonable terms. Failure to make that access available could delay compensation to accident victims and increase automobile insurance costs.” The Committee Report further urges the Department of Transportation to consider establishing guidelines that allow reasonable access to data for the parties in need of such access.

Commercial Vehicles

Regarding commercial vehicles, the Committee Report said, “As advanced driver automation systems technologies grow, timely research is needed to study how these systems will affect many aspects of highway freight transportation including cognitive responses of drivers, driver fatigue, hardware/software reliability and functionality, and pavement performance.”

Workforce Displacement

The Committee Report encourages the Department of Transportation to “consider the potential for job displacement in its actions on automated vehicles and urges DOT to convene relevant public and private sector stakeholders to develop a national strategy to address potential job displacement.”

Smart Infrastructure

House Appropriators urged DOT to prioritize resources provided in the FY19 Transportation-HUD appropriations "toward smart infrastructure and smart infrastructure research.” The Committee Report urges DOT to incorporate advanced sensor and other smart technologies in infrastructure. DOT is also encouraged to engage with the nation's research community.

Unmanned Aircraft Systems (UAS)
House Appropriators urged DOT to "promote research and demonstration activities for counter unmanned aircraft systems to protect airports and the national airspace as the FAA accelerates its efforts to safely integrate UASs into the national airspace." The Committee Report recognizes the critical role the FAA UAS test sites serve in perpetuating technology innovations through safety and operational needs to safely integrate in the national airspace. As such, the Appropriators said "the test sites must be on the forefront of the technology and the adoption thereof."

**NHTSA Heidi King’s Nomination On-Hold**

The nomination of Heidi King to lead the National Highway Traffic Safety Administration was pulled from the Senate Committee on Commerce, Science, and Transportation May 22, Executive Session. Concerned that committee Democrats would have the votes to block King’s nomination at the Executive Session, Committee Chairman John Thune, (R-SD), put the vote on hold because not all Republicans were present. Committee Ranking Member Bill Nelson (D-FL) and other Democrats were not satisfied with King's answers about holding vehicle manufacturers accountable for safety issues, including the Takata airbag recall. Nelson said on May 12 that Florida leads the nation in the number of airbag injuries and deaths. He noted that 83 injuries and three deaths had been linked to Takata airbag ruptures in Florida.

**Federal Motor Carrier Safety Administration Administrator Speaks to Automated Driving Systems**

Testifying before the House Committee on Transportation and Infrastructure Subcommittee on Highways and Transit on May 22, Federal Motor Carrier Safety Administration (FMCSA) Administrator Raymond Martinez said the Motor Carrier Safety Advisory Committee would issue recommendations on highly automated commercial motor vehicles later this year. He said FMCSA is currently reviewing comments on barriers to the safe testing and development of highly automated driving systems on public roads. Martinez noted that FMCSA is “working with
the National Highway Traffic Safety Administration, the Federal Highway Administration, and the Federal Transit Administration to develop a comprehensive plan to better manage department initiatives related to automated vehicles.”

**State and Local Policy Updates**

**McDaniel Named Director of Virginia Office of Transportation Innovation**

On May 16, Virginia Secretary of Transportation Shannon Valentine announced, effective May 29, that Lynn J. McDaniel will be the director of a newly created Office of Transportation Innovation. The new office will reside within the Office of Intermodal Planning and Investment (OIPI) and will focus on coordinating innovation among the commonwealth’s transportation agencies including Aviation, the Department of Rail and Public Transportation (DRPT), Virginia Space, the Virginia Port Authority, the Virginia Department of Transportation (VDOT) and the Department of Motor Vehicles.

The office will work across Virginia’s multimodal transportation system to identify opportunities, coordinate research, and create an entrepreneurial environment within the transportation sector. Its work will include Connected Corridors, Data Analytics, Integrated Applications, and Unmanned Systems that span space, land, water and aviation. Valentine reportedly has said that the office will “consider apps for better navigating traffic, fiber in roadways to better help us get around and the use of drones to assist in clearing accidents more quickly.”

**Arizona Gov. Ducey Signs Legislation Allowing for Autonomous Delivery Robots**

On May 16, Arizona Doug Ducey (R) signed into law HB 2422, which authorizes the use of autonomous delivery robots on sidewalks and crosswalks. The law reportedly.
provides these personal delivery devices with the “same rights and duties as pedestrians with whom they will share the sidewalks and crosswalks...[including] a mandate to follow all traffic and pedestrian-control signals.” Under the law, the device must weigh less than 200 pounds--excluding cargo--unless otherwise authorized by a local authority and have a braking system that when active or engaged allows the device to come to a controlled stop.

Louisiana Legislature Passes Platooning Legislation

Earlier this month, the Louisiana Senate passed HB 308, legislation allowing vehicle platooning. The Louisiana House passed the legislation in April, and it is now before Louisiana Governor John Bel Edwards (D) for his signature. Louisiana reportedly joins other states that to enable testing of autonomous trucks are either considering or have passed legislation modifying the rules governing how close one large truck can follow another on the road.

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