

May 1, 2023

The Honorable Charles Schumer Majority Leader United States Senate 322 Hart Senate Office Building Washington, DC 20510

Dear Majority Leader Schumer,

As you develop your **proposal to ensure the United States' competitive edge in the field of artificial intelligence (AI)**, I urge you to consider the importance of a strategic growth industry that faces competitive challenges due to rapid advancements in China: **AI-powered autonomous vehicles**.

The United States faces the possibility of falling behind China in AI-powered autonomous vehicles unless significant steps are taken to support this sector, create thousands of advanced automotive jobs in the United States, and ensure the U.S.'s leadership in the field.

A recent report predicts the global market for vehicle AI and autonomous vehicles will reach over \$320 billion by 2030.¹ Though the United States is currently leading the way for self-driving vehicles, federal and state policy has yet to keep pace with AV technology developments.

In contrast, Chinese policy has only strengthened the framework for accessible road tests and innovation in order to validate and improve existing vehicle AI technology rapidly. As a result, China's AV industry is projected to become the largest autonomous driving market in the world.<sup>2</sup>

Advanced vehicle AI has surpassed the research and development stage and must now transition towards developing use cases and fully deploying autonomous vehicles. Regulatory barriers, including outdated Federal Motor Vehicle Safety Standards and restrictive caps on the number of custom-built AV vehicles per company, will not only put

¹https://www.researchandmarkets.com/reports/5546183/global-autonomous-vehicles-market-size-forecast?utm\_source=CI&utm\_medium=PressRelease&utm\_code=3rpzqn&utm\_campaign=1762008+-+Global+Autonomous+Vehicles+Market+to+Reach+%24325.9+Billion+bv+2030&utm\_exec=como322prd

<sup>&</sup>lt;sup>2</sup>https://www2.deloitte.com/cn/en/pages/consumer-industrial-products/articles/autonomous-driving-reshapes-competition-in-ecosystem.html

American manufacturers at risk of falling behind our global competitors but also delays the many benefits of AVs for American families.

As the U.S. Transportation Secretary Pete Buttigieg previously stated in regard to safety and autonomous vehicles, "We are in the middle of a crisis for roadway deaths and one of the areas of promise that exists with AVs is an opportunity to fundamentally change outcomes. We are doing what we can with the authorities and flexibilities that we have, but we lack a fully established legislative framework. We would welcome one from Congress that would create a division of labor between DOT and states."<sup>3</sup>

Congress has taken important steps to sustain American innovation and strengthen our economy by investing in advanced technology research and development of advanced technologies through the CHIPS and Science Act. Similar federal legislation investing in artificial intelligence and autonomous vehicles would have benefits not only for the entire innovation ecosystem, but also for roadway safety and for consumers.

Specifically, proposed legislation should:

- Establish a federal framework that incorporates AV-specific statutes and regulations critical to the safe deployment of autonomous vehicles
- Authorize National Highway Traffic Safety Administration (NHTSA) to lift vehicle exemption caps, reducing barriers for manufacturers and maximizing deployment
- Direct NHTSA to modernize and complete Federal Motor Vehicle Safety Standards (FMVSS) rulemakings covering vehicle safety technology, zero-occupancy vehicles, and other topics.

We share your goals of enhancing the competitiveness of American workers and businesses. AVs will play a fundamental role in achieving these goals. We hope, as you consider how to build on the momentum of the CHIPS Act, that you will examine competition with China's AI-powered autonomous vehicle industry, and support the safe deployment of autonomous vehicles without further delay.

Thank you for your leadership.

Sincerely,

Adam Kovacevich Founder and CEO

<sup>3</sup>https://mlexmarketinsight.com/news/insight/autonomous-vehicle-legislation-needed-to-clarify-division-of-regulatory-responsibilities-us-dot-head