



October 28, 2024

Department of Commerce
Bureau of Industry and Security
c/o Marc Coldiron
1401 Constitution Avenue NW,
Washington, DC

Re: Request for Comments on Securing the Information and Communications Technology and Services Supply Chain: Connected Vehicles, Docket No. 240919-0245.

On behalf of Chamber of Progress – a tech industry association supporting public policies to build a more inclusive country in which all people benefit from technological leaps – we appreciate the opportunity to share this response to the RFC regarding Securing the Information and Communications Technology and Services Supply Chain: Connected Vehicles.

We applaud the changes the Bureau of Industry and Security (BIS) has made since the ANPRM. The current language demonstrates that BIS heeded public feedback and seeks to avoid major disruptions to the US AV industry while protecting national security interests. We are particularly grateful for the exclusion of hardware and firmware used in AVs from the proposed rule's scope and the incorporation of phase-in periods for manufacturers to come into compliance. However, modifications to the proposed rule may still be necessary to achieve BIS's stated goals.

The intended scope of the current rule appropriately balances technological innovation and national security interests. As we argued in our comments in April 2024, unnecessary restrictions on critical inputs risk hampering the growth of the domestic autonomous vehicle industry.¹ The decision to exclude the hardware and firmware components of ADS and ADAS and focus instead on ADS software achieves the best balance of protecting national security interests while “reduc[ing] unnecessary economic impacts and supply disruption”.² We are pleased that BIS heeded public feedback to narrow the proposed rule and excluded sensors, hardware, and firmware that pose minimal security risks but are critical for unleashing the benefits of AVs.

¹ *Request for Comments on Securing the Information and Communications Technology and Services Supply Chain: Connected Vehicles*, Docket No. 240227–0060, Chamber of Progress (Apr. 2024).

<https://www.regulations.gov/comment/BIS-2024-0005-0010>

² *Securing the Information and Communications Technology and Services Supply Chain: Connected Vehicles*, Docket No. 240919-0245, U.S. Department of Commerce, Bureau of Industry and Security, Section 3(c).

<https://public-inspection.federalregister.gov/2024-21903.pdf>

We also appreciate the allowance of buffer periods for manufacturers to comply with the rule, allowing manufacturers to engage in otherwise prohibited transactions involving covered software through 2027 and covered hardware through 2029 or 2030. Those buffer periods will avoid sudden disruptions for autonomous vehicle manufacturers and operators. They will be especially important for newer firms with fewer resources and help protect competition within the domestic AV industry.

To truly minimize potential economic disruptions, extending the timeline further to align with automotive development cycles would be beneficial. Considering the extensive review process manufacturers will have to undertake, including conducting due diligence reviews of all suppliers to avoid the “willful avoidance” of facts, ensuring compliance with the rule will take time. If manufacturers need to change suppliers, the onboarding, testing, and certification process can take several years.³ If there are limited options available for certain inputs, the supply chain could be more susceptible to bottlenecks or other disruptions, leading to longer wait times and fewer choices for consumers. Aligning the compliance deadlines to the industry’s typical development cycle, which ranges from 5-7 years,⁴ would ensure a stable supply chain.

Other provisions of the rule may also need to be modified to achieve BIS’s stated goals. Some definitions should be updated to clarify which hardware and software components BIS considers within scope. Other provisions should be updated to avoid unintentional risks to proprietary information. These changes would better align the rule with BIS’s goals and protect innovations in autonomous vehicle technology.

For example, the rule should be amended to clarify that radar used by ADAS and ADS is not within the scope. The supplementary information makes clear that BIS’s intention is to exclude ADS hardware that “lacks the ability to transmit from the vehicle and does not, as a standalone system, control the vehicle.”⁵ The explanation of the proposed definition of “Vehicle Connectivity System” (VCS) also states that the intention is to exclude “certain internal wireless sensors and relays.”⁶ However, defining VCS to include hardware that operates at frequencies over 450 MHz could result in radar being restricted, as radar used by ADAS and ADS typically operates at frequencies between 70-90 GHz.⁷ Like LiDAR, cameras, and computer vision, radar is used to collect information about the surrounding area but does not transmit information from or control the vehicle. Radar

³ *Certification Process*, Federal Communications Commission. <https://celectronics.com/fcc-certification>

⁴ Sherman, Don. *How a Car is Made: Every Step from Invention to Launch*, Car and Driver (Nov. 2015). <https://www.caranddriver.com/news/a15350381/how-a-car-is-made-every-step-from-invention-to-launch/>

⁵ *Securing the Information and Communications Technology and Services Supply Chain: Connected Vehicles*, Docket No. 240919-0245, U.S. Department of Commerce, Bureau of Industry and Security. Section 3(c). <https://public-inspection.federalregister.gov/2024-21903.pdf>

⁶ *Securing the Information and Communications Technology and Services Supply Chain: Connected Vehicles*, Docket No. 240919-0245, U.S. Department of Commerce, Bureau of Industry and Security. Section V(a)(17). <https://public-inspection.federalregister.gov/2024-21903.pdf>

⁷ *Automotive Radar Market Size, Share & Industry Analysis, By Range, By Frequency, By Application, Forward-Collision Warning System, Blind Spot Detection and Regional Forecast, 2024-2032*, Fortune Business Insights (October 2024). <https://www.fortunebusinessinsights.com/industry-reports/automotive-radar-market-101688>

should therefore also be excluded from the rule's scope, either by amending the definition of VCS or providing an explicit exemption for radar used by ADAS and ADS.

The proposed definition for "covered software" should also be updated to eliminate ambiguities that could slow innovation. While we appreciate the explicit exclusion of firmware from the definition, the rule should be similarly specific about the other types of software-based components intended to be within the scope of the rule. Manufacturers will be required to review nearly all of their software to identify potential risks. This process would hamper improvements to autonomous vehicles' operations, risking their economic and social benefits.

Additionally, while the proposed definition seeks to allow the use of open-source software, the caveats that the software cannot be modified for proprietary purposes, redistributed, or shared create ambiguity about acceptable applications. The rule should be amended to clarify how US manufacturers can use open-source software.

Finally, the Declaration of Conformity and third-party audit process could require US firms to reveal sensitive information. For example, U.S.-based software developers could be required to provide SBOMs to foreign-headquartered OEMs with operations in the U.S. who import completed connected vehicles, which could reveal sensitive intellectual property. Rather than centralizing the process through vehicle manufacturers, we encourage BIS to consider alternative methods in which individual suppliers can certify their conformity. Clarifying the scope of "covered software" would also help US companies protect their information by narrowing the universe of components subject to review by third-party audits and due diligence by vehicle manufacturers.

We appreciate the changes made to the proposed rule and BIS's efforts to protect national security interests without creating unnecessary economic or supply chain disruptions. Autonomous vehicles present enormous potential benefits in terms of economic growth, improved mobility, and reduced emissions. BIS's efforts to narrow the rule to minimize disruptions to US AV manufacturers will protect those potential benefits and promote the growth of the industry. Some changes remain necessary to ensure the rule does not inadvertently hamstring AVs, but we applaud the progress made so far.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ruth Whittaker', with a stylized, cursive script.

Ruth Whittaker
Director of Civic Innovation Policy
Chamber of Progress