



**Oregon House Bill 2428
House Transportation and Economic Development Committee
April 1, 2013**

The Alliance of Automobile Manufacturers represents 12 of the world's leading car and light truck manufacturers. Our members include BMW Group, Chrysler Group LLC, Ford Motor Company, General Motors Company, Jaguar Land Rover, Mazda, Mercedes-Benz USA, Mitsubishi, Porsche, Toyota, Volkswagen Group of America and Volvo Cars North America.

While the idea of autonomous vehicles may still seem to some like a concept ripped out of the latest science fiction movie, within the industry the idea of using technology to produce ever safer and more fuel efficient vehicles is nothing new. The industry is continuing the efforts to re-invent the automobile. Current driver assist systems and crash avoidance technologies are helping to pave the way for the automated vehicles of the future.

Automakers' impressive record on technological advancement is a result of a sustained commitment to research and development, traditionally ranking at the top of R&D funding lists for all industries – including computers and pharmaceuticals. In 2009, it is estimated that auto manufacturers devoted \$73 billion to research and development. And today's cars are cleaner, safer, less polluting, and more fuel efficient than ever because of these investments. Auto manufacturers' investment in these technologies have brought us to a place where semi-automated vehicle systems are commonplace in today's vehicles – stability controls, lane monitoring, self-parking systems – and fully automated vehicles are nothing more than the next step on the continuum.

Although the reality of fully automated vehicles has yet to occur, we appreciate public policy leaders examining the regulatory environment in which these technologies are being developed and making sure that there are no roadblocks to innovation. Primary amongst all of your duties is to protect the safety of the general public. Our companies are entrusted with the same responsibilities.

While we appreciate the proponents' desire to foster a climate of innovation and further testing in Oregon, the process by which these companies alter existing vehicles presents an area of great concern for auto manufacturers. The Alliance believes any bill to expand testing of automated technology must include a clear statement on liability. All motor vehicles offered for sale in the US must be certified as compliant with all applicable federal motor vehicle safety standards at the time of manufacture. If a certified vehicle is subsequently modified, it is the sole responsibility of the modifying party to avoid taking the vehicle out of compliance. Auto manufacturers take great care to produce vehicles that are reliable, safe, and compliant, at the point of sale. Once that vehicle has been modified by an upfitter with non-OEM technology, automakers should not be liable for any malfunctions that occur as a result of the conversion. Clear liability language is a necessary part of any effort to expand testing of automated vehicles.

Finally, it is important to remember the Alliance's members manufacture a product that is sold in every state in this country and in nations all across the globe. While we understand states' roles as laboratories of democracy, we are sensitive to the creation of a patchwork of rules and regulations – sometimes in direct conflict with each other – governing the vehicles we produce. The Alliance supports limitations that ensure that if the National Highway Traffic Safety Administration promulgates regulations on autonomous vehicles, any areas of conflict will default to the federal standard. This is important to ensure a level of manufacturing certainty for automakers.

Respectfully submitted,
Paul Cosgrove