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April 26, 2019

The Honorable Floyd Prozanski
Chair, Oregon Senate Judiciary Committee
900 Court St. NE, Room 413
Salem Oregon 97301

RE: Honda's opposition to HB 2395 unless amended

Dear Chairman Prozanski and members of the Senate Judiciary Committee:

Thank you for the opportunity to express Honda's thoughts on HB 2395. This bill, while well intended, imposes vague and imprecise cyber-security requirements on the manufacturers of connected devices, even if those devices are already subject to federal rules, regulations or guidance in this arena.

This legislation as originally introduced was similar, but not identical, to a law that was enacted last year in California with Honda's support (SB-327)[1]. The key difference between the original HB 2395 and the California law is that California provides a critical exemption for products whose functionality is "subject to security requirements under federal law, regulations, or guidance promulgated by a federal agency pursuant to its regulatory enforcement authority." As we expressed to your House colleagues, if a similar exemption were added to HB 2395, Honda would be happy to support this bill as well. Unfortunately, the House Judiciary Committee only saw fit to provide this type of exemption for devices regulated by the U.S. Food and Drug Administration (FDA). We respectfully request that this legislation be amended to match the California model, or at the very least, that it be amended to provide the same exemption for products regulated by the National Highway Traffic Safety Administration (NHTSA) that is provided to those regulated by the FDA.

Cyber-security is an issue our company and industry takes very seriously, and it will become increasingly important as vehicles become more automated and connected. For several years, the United States Department of Transportation (USDOT) has made mitigating cyber threats a top priority. On behalf of the USDOT, NHTSA is engaged in vehicle cyber-security research and has been actively working with the industry to enhance the cyber-security capabilities of vehicles.

Because the federal rule making process is long and complicated, it is not ideal for addressing rapidly evolving issues like cybersecurity. For this reason, many government agencies are instead opting to issue guidance, in an effort to remain nimble and flexible in responding to emerging threats. NHTSA has released guidance[2] to automakers on best practices related to cyber-security and has committed to updating that guidance as necessary.

Honda has gone beyond following the best practices established by NHTSA. We have, and continue to take a number of proactive steps to ensure that our products are secure and that we are protecting the

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[1] https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180SB327
[2] https://www.nhtsa.gov/staticfiles/nvs/pdf/812333_CybersecurityForModernVehicles.pdf

privacy of our customers. The automotive industry has collaborated to develop a set of "Privacy Principles" that commit automakers to limiting and protecting the personal information generated by our vehicles. The industry has also developed an Auto-ISAC, which is an industry-wide forum that allows companies to collaborate in identifying and addressing potential cyber threats. Honda individually is working with several leading government and academic groups to identify, assess and mitigate cyber-security risks in our vehicles. These partnerships include the M-City Cybersecurity Group, the Society of Automotive Engineers CyberAuto Challenge, The Department of Homeland Security's Automotive Cybersecurity Industry Consortium and The Department of Homeland Security's Cyber-Storm initiative.

We respectfully ask for this exemption not to absolve our products from cyber-security requirements, but rather to ensure that compliance with federal rules and best practices is not inconsistent with state laws. Cyber-security is a subject Honda takes extremely seriously, and we feel we are best positioned to do this if there is not a patchwork of different laws in the 50 states.

Thank you for your time and consideration of our position. Honda is proud of our relationship with Oregon, which is home to 218 authorized Honda and Acura dealers who employ over 2,400 people and provide Oregon consumers with a wide range of products that utilize the latest environmental and safety technologies. For more information on Honda's presence in Oregon or our safety and cyber-security leadership, please visit www.hondainamerica.com or follow us on Twitter at @HondainAmerica.

Thank you for your time and attention on this very important issue. If you have any questions, or if Honda can otherwise be a resource for you please do not hesitate to contact me.

Sincerely,

Craig Orlan
Sr. State Relations Specialist
Honda North America, Inc.