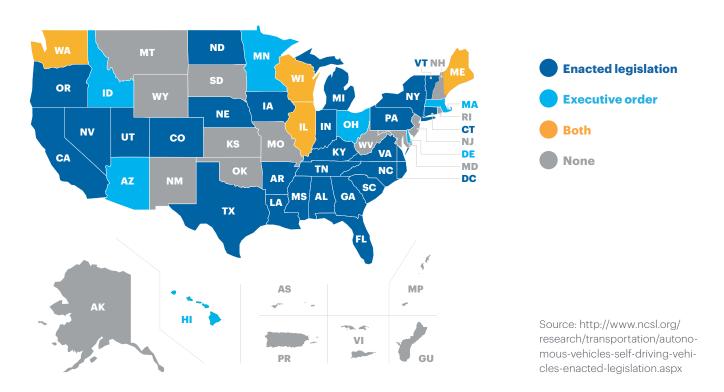


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## **State roundup**

## States with autonomous vehicles enacted legislation and executive orders



#### Alabama

Alabama has no laws or regulations concerning autonomous passenger vehicles. However, the state has passed legislation concerning autonomous truck platooning. Looking forward, lawmakers in the state are beginning to pay greater attention to the subject of widespread autonomous transit. In 2017, the state Senate created a Legislative Committee on Self-Driving Vehicles to study the issue and this past March State Sen. Gerald Allen introduced legislation that would explicitly permit autonomous vehicles to operate in the state.

#### **Arizona**

Arizona has one of the most permissive AV frameworks in the country, thanks to a series of executive orders signed by Gov. Doug Ducey. Automakers need only to notify the Arizona

Department of Transportation before testing, as long as their vehicles comply with state and federal laws governing motor vehicles. The welcoming nature of Arizona's regulatory structure has solidified its standing as a hotbed of AV innovation. Waymo has been testing in the state for years and just recently trialed its "Waymo One" robo-taxi service in the Phoenix area. The company plans to expand the service through a partnership with ridesharing company Lyft in the next several months.

#### **Arkansas**

Arkansas recently joined the list of states that has specifically addressed autonomous transit. Lawmakers passed legislation earlier this year allowing AV companies to operate up to three vehicles in the state under an approved pilot program. Walmart, a

proponent of the legislation, plans to test self-driving delivery trucks on a two-mile route between its warehouses in Bentonville. The state already allowed driver assistive truck platooning (DATP) under legislation that took effect in 2017.

#### **California**

California has taken a comprehensive approach to regulating autonomous vehicles, enacting several laws that lay out procedures for the testing and deployment of driverless cars. The state recently expanded its program from requiring backup drivers in all test vehicles to also allowing self-driving car tests without backup drivers. Operators must meet specific requirements and go through a DMV-administered application process. However onerous the burden, these regulations have not deterred AV companies, many of whom have a physical presence in Silicon Valley, from testing in the state. Over 50 companies currently hold permits to test in California, and several plan to introduce robo-taxi services in the coming year.

#### Colorado

Companies seeking to test and operate autonomous vehicles in Colorado are greeted by a welcoming regulatory environment. Legislation enacted in 2017 allows driverless vehicles to be operated in the state as long as they are capable of complying with existing state and federal law. Additionally, Colorado's Department of Transportation is partnering with Ford, Panasonic and Qualcomm to deploy Cellular Vehicle-to-Everything (C-V2X) technology along the heavily traveled Interstate 70 corridor. Although the state does not currently have any large-scale robo-taxi fleets, tech company EasyMile began testing a 15-passenger autonomous shuttle near the Denver Airport this year.

#### **Connecticut**

Of the states that have passed autonomous vehicle laws, Connecticut has one of the strictest regulatory structures. Operators must go through a multistage approval process, and testing will only be allowed in four municipalities, to be designated by the commissioner of the state Department of Transportation. Several municipalities, working with manufacturers such as French company Navya, have applied, or said they plan to apply, for a spot in the Fully Autonomous Vehicle Testing Pilot Program.

#### **Florida**

In June, Florida passed House Bill 311 to further relax its autonomous vehicle regulations. Under the new law, any driverless vehicle is allowed to operate in the state as long as it is capable of complying with existing state and federal laws and has liability insurance of \$1 million. San Francisco-based Starsky Robotics was among the first companies to take advantage, on June 16 testing a fully unmanned truck on a nine-mile stretch of the Florida Turnpike. The company plans to use autonomous technology to operate its trucks on Florida highways, relying on remote operators in Jacksonville center to guide the trucks from the beginning to the end of their journey. Florida has made inroads in other segments of the AV industry as well—with microelectronics company BRIDG, AV-testing company Suntrax and LiDAR manufacturer Luminar all recently announcing plans to set up operations in the state.

#### Georgia

Georgia allows the operation of both autonomous vehicles and trucks under legislation passed in 2017. Driverless vehicles are free to operate in the state as long as they are fully insured and registered with the Department of Motor Vehicles. At present, no robo-taxi services are operating in the state; however, several autonomous shuttle projects are in their infancy, including a 12-passenger NAVYA autonomous shuttle that traverses the two miles between the MARTA rail station and a mixed-use development in the Atlanta suburb of Doraville.

#### Hawai`i

Executive Order 17-07, signed by Gov. David Ige, signals that the state is "open for business for testing and deploying new driverless vehicles," and directs several state departments to work with any companies wishing to test autonomous vehicles in Hawai`i. Yet despite the state's mild weather conditions and the University of Hawai`i opening a dedicated research lab, there has not been widespread testing or deployment of driverless vehicles in the state. House Bill 1183, introduced this year, hopes to change this by implementing a clear and simple regulatory process for AVs.

#### Illinois

While Illinois has no legislation directly regulating autonomous vehicles, an executive order signed by former Gov. Bruce Rauner allows their operation in the state. Under that order, all testing must be approved by the state Department of Transportation prior to deployment, and vehicles can only be operated with an employee of the manufacturer behind the wheel. Legislation proposed this year would allow testing and operation of completely driverless cars, but it faces an uncertain path forward as new Gov. J.B. Pritzker has expressed reservations about the operation of autonomous vehicles on public roads.

#### Indiana

Indiana currently has no laws or regulations concerning autonomous vehicles; however truck platooning is allowed under 2017 legislation. There was an effort this past legislative session, House Bill 1341, that would have created an autonomous task force with the power to approve operation of fully driverless vehicles in the state, but it failed to receive a vote in the state legislature, even with the backing of Gov. Eric Holcomb.

#### Iowa

Iowa lawmakers passed legislation this year allowing for the operation of fully autonomous vehicles as long as basic insurance requirements are met. Currently, the University of Iowa is testing driverless cars along a onemile stretch of rural road near Cedar Rapids.

#### Louisiana

Louisiana law allows for the operation of both autonomous vehicles and autonomous truck platoons. Legislation passed this year permits any driverless vehicle to operate in the state as long as it possesses liability insurance of \$2 million and is certified by the state Department of Transportation.

#### Maine

Maine does not currently have any laws or regulations allowing for autonomous vehicles. However 2018 legislation authorized creation of a Commission on Autonomous Vehicles to coordinate efforts among state agencies and knowledgeable stakeholders to develop a process for testing automated driving systems on a public way. The law requires that the Commission issue an initial written report on its progress by January 15, 2020, and a final report containing findings and recommendations, including suggested legislation, by January 15, 2022.

#### **Maryland**

While Maryland doesn't have any laws explicitly governing autonomous vehicles, the state Department of Transportation has adopted regulations for their operation, including an approval process requiring operator self-certification and insurance coverage of \$5 million. Local Motors, manufacturer of Olli, was the first company to receive testing approval in the state, and is currently operating its toaster-shaped vehicle along a 1.5 mile route in Prince George's County.



#### **Massachusetts**

A 2017 executive order issued by Gov. Charlie Baker enumerated extensive requirements for the operation of autonomous vehicles in the state, including setting maximum speeds and confining them to geo-fenced areas determined during the application process. Boston-based nuTonomy and Optimus Ride have already been piloting their vehicles in the city for over a year, and 15 more municipalities have signed agreements with the state allowing for testing.

#### **Michigan**

As the home of the nation's auto manufacturing industry, it's no surprise that Michigan is one of the nation's AV testing hubs. In 2016, the state approved legislation allowing for testing, provided the vehicle is operated by an employee of the manufacturer or a university researcher. Vehicles must operate within predetermined geographic areas and be equipped with crash notification technology. Waymo recently announced plans to locate the nation's first factory dedicated to the manufacture of autonomous vehicles in Detroit. The state is also home to several large testing facilities including the University of Michigan-owned Mcity, a 32-acre mock city and proving ground built for the testing of driverless cars that contains over four miles of roadway fitted out with connected-vehicle infrastructure.

#### **Minnesota**

Minnesota has no laws or regulations specifically addressing autonomous vehicles. According to the state's Department of Transportation, any automated vehicles operating in the state must adhere to "current statute and laws." However in 2018, the same year legislation was enacted regulating autonomous truck platooning, Gov. Mark Dayton signed an executive order creating a Governor's Advisory Council on Connected and Automated Vehicles to study the pros and cons and recommend a path forward. Its resulting 66-page report delivered a rosy outlook on automated cars and included draft legislation setting up a permit system and giving the state DOT wide latitude to decide whether to allow a business to test based on its history with self-driving technology. The Minnesota Legislature has yet to decide the issue. Meanwhile, the Advisory Council is scheduled to meet later this year and issue further recommendations.

#### Nebraska

In April 2018, Nebraska lawmakers cleared the way for companies to test self-driving vehicles as long as the vehicle is capable of operating in compliance with traffic and motor vehicle safety laws. The AV may or may not contain a human driver, but if a human driver is present, he or she must be a licensed driver and covered by insurance. The law also authorizes the operation of an on-demand AV network for the transport of persons or goods, including for-hire transportation or public transportation. Also in 2018, the city of Lincoln received a \$100,000 grant from Bloomberg Philanthropies to fund the testing of an autonomous shuttle, produced by French company Navya, on the University of Nebraska's Innovation Campus. However, the grant application was not renewed this year, leaving the future of the project in doubt.

#### Nevada

Ever since Nevada passed AV legislation in 2012, the state has been at the forefront of driverless vehicle innovation. That trend has only accelerated, with Las Vegas playing host to an autonomous shuttle pilot that operated between November 2017 and October 2018 and shuttled more than 30,000 passengers. A publicly available robotaxi network—a partnership between AV company Aptiv and ridesharing company Lyft—is currently operating in the state. The companies recently announced the service had completed 55,000 rides—a major milestone in the deployment of autonomous vehicles for public use.

#### **New Hampshire**

Gov. Chris Sununu, in contrast to his many counterparts eagerly seeking to attract AV manufacturers, is opposed to their testing, and vetoed a bill last year that would have created an AV permitting process. However, the governor hasn't entirely foreclosed the possibility of allowing autonomous vehicles on New Hampshire roads, stating that he would consider signing a future bill with greater safety protections.

#### **New York**

New York has highly restrictive regulations on AV testing. Under legislation approved in 2017, any testing must be approved by the commissioner of the Department of Motor Vehicles and supervised by the



New York State Police. While more relaxed requirements were proposed in the last legislative session, they failed to pass.

#### **North Carolina**

Autonomous vehicles in North Carolina face few restrictions. A 2017 law permits their operation as long as they are covered by insurance and meet existing state and federal laws. The North Carolina Turnpike Authority has touted Triangle Expressway near Raleigh as one of the most advanced roads in the country, with a fiber-optic network along its entire length to facilitate connected infrastructure. The NCTA also tested several driverless vehicles along the corridor in 2018.

#### **North Dakota**

North Dakota legislation passed this year allows both driverless vehicle operation and truck platooning. However, no manufacturers appear to be testing in the state as of yet.

#### Ohio

A 2018 executive order signed by former Gov. John Kasich positioned Ohio as a leader in the driverless vehicle space. To attract AV researchers, developers and manufacturers, the EO created DriveOhio, a new division of the state Department of Transportation that allows any company to test AVs in the state as long as they register with DriveOhio and have a backup driver behind the wheel. Four cities—

Columbus, Dublin, Athens and Marysville—have already signed agreements with DriveOhio to test AVs on their streets, and the state has designated a 35-mile stretch of US Route 33 a "Smart Mobility Corridor" for the deployment of connected vehicle technologies. Finally, the \$45 million SMART Testing center opened in Logan County this month. Funded by a partnership between Ohio State University and the state of Ohio, the center will include an indoor highway track capable of simulating ice and snow year-round.

#### **Oregon**

While the state has no current legislation concerning autonomous vehicles, a 2016 law did create an AV task force, which issued its recommendations this year. Currently pending House Bill 2770 would codify many of the recommendations into law, including registration and insurance requirements.

#### **Pennsylvania**

Pennsylvania law does not explicitly regulate autonomous vehicle testing, but the state Department of Transportation has created a voluntary registration process. Pittsburgh, due to friendly regulatory climate and local government incentives, has become a hotbed of AV testing. Currently Aptiv, Argo AI, Aurora Innovation and Uber are testing in the city, and Argo recently announced a five-year, \$15 million research partnership with Carnegie Mellon University to develop autonomous technology.

#### **Tennessee**

Legislation passed in 2017 allows certified autonomous vehicles to operate in the state, provided they contain automatic crash recording and notification technology. While no large-scale testing is occurring in the state, the TennSMART consortium, made up of government agencies, universities, and companies with ties to the state, hopes to encourage collaboration and innovation in the AV area.

#### **Texas**

Texas's AV-friendly regulatory environment has made the state a magnet for autonomous vehicle testing. State law allows for any autonomous vehicle to operate so long as each is equipped with a collision recording system and the operator has the required insurance policy. AV company Nuro has made Houston its primary testing site, partnering with Kroger and, more recently, Domino's Pizza, to make deliveries directly to consumers.

#### Utah

Driverless vehicles are now expressly permitted on Utah roads under legislation approved this year. While any properly insured autonomous vehicles are allowed to operate, autonomous networks must be registered with the state. This past April, the Utah Transit Authority, in partnership with the state Department of Transportation, began limited testing of an autonomous shuttle in Salt Lake City.

#### Virginia

For a state where AV testing is actively occurring, Virginia has a relatively unique approach to regulation: basically none. Despite having no laws or regulations specifically pertaining to autonomous vehicles, the state has taken an active role in encouraging testing and deployment. Seventy miles of Virginia highways have been designated "automated corridors" and outfitted with high-definition mapping and data acquisition systems to support automated-vehicle testing. Fairfax County plans to begin testing of an autonomous shuttle in partnership with Dominion Energy sometime in the next year. Virginia is a prime example of the fact that autonomous vehicles can operate in any state, regardless of whether the state has a regulatory framework, as long as the operator adheres to state and federal law.

#### **Washington, DC**

In 2012 the District of Columbia became one of the first jurisdictions to pass legislation regarding the testing of autonomous vehicles. All vehicles tested in the city must have backup drivers and be capable of following the city's traffic laws. An Autonomous Vehicle Working Group, established by Mayor Muriel Bowser in February 2018, has been in discussions with multiple automakers in its search for a partner to pilot an autonomous vehicle program.

#### Wisconsin

Although Wisconsin has no current AV laws or regulations, former Gov. Scott Walker signed an executive order in 2017 to propose regulations for the vehicles. The committee made several recommendations in 2018, including requiring municipal oversight, an application process and backup drivers. While these have yet to be enacted, the committee also noted that it believes current state law "does not prohibit the operation of autonomous vehicles." Much like Virginia, Wisconsin is another example of a state that has no autonomous-specific regulations but still plays host to autonomous testing.

## Telecommunications and connected infrastructure

Unlocking the full potential of autonomous transportation will require smart, forward-looking decisions about how to manage the spectrum on which driverless vehicles will rely. Regulators in the US and around the world must design, implement and continuously refine policies to allocate, use and protect autonomous vehicle spectrum from harmful interference.

In the US, the Federal Communications Commission (FCC) first set aside spectrum, in what is called the 5.9 GHz band, to support transportation uses in 1999. Under the FCC's rules, the 5.9 GHz band is reserved for dedicated short-range communications (DSRC), which facilitates both vehicle-to-vehicle and vehicle-to-infrastructure. Because DSRC has been around for three decades, many automakers and localities have equipped vehicles and roadside infrastructure with DSRC-based technologies. However, predictably, technology has advanced since 1999, resulting in several alternatives to DSRC, the most noteworthy being cellular vehicle-to-everything (C-V2X) communication that offers vehicle-to-vehicle, vehicle-to-infrastructure and vehicle-to-pedestrian communication.

While C-V2X can technically be deployed over both 4G LTE and 5G cellular networks, the near-20-times faster speed of 5G will ultimately allow autonomous vehicles to be able to process and react to data in just nanoseconds. All four major US wireless carriers plan to introduce nationwide 5G coverage in the coming years. However, the pace at which the country becomes 5G-ready will largely depend on the willingness of local lawmakers to cooperate with the federal government in adopting policies that encourage investment and facilitate deployment by carriers.

In addition to widespread 5G connectivity, opening up 5.9 GHz spectrum to uses other than DSRC could fast-track C-V2X development. The FCC is currently considering amending its rules for this purpose. The agency, along with the Departments of Commerce and Transportation, are immersed in a three-phase research study to evaluate options for making the 5.9GHz band accessible to new uses. During this study period, interested stakeholders and the public are able to express their views on whether the band should remain dedicated to DSRC, allocated for additional automotive uses such as C-V2X technology, or repurposed, in part or in full, to meet increasing demands for spectrum to accommodate uses unrelated to automotive technologies.

Experts across industries have differing opinions on whether the FCC's rules for 5.9 GHz spectrum should nurture the growth of DSRC or C-2VX technology. While DSRC only operates in the short range and requires the deployment of expensive roadside units, it is available immediately and, many argue, could contribute to saving lives in the near term. However, the scalability and efficiency of C-V2X has a strong base of industry support—a coalition of automakers, device manufacturers and telecom operators that goes by the name "5GAA" supports opening the 5.9 GHz spectrum for C-V2X

Regulatory issues aside, automakers and technology companies are beginning to run trials using C-V2X technology. In 2017 AT&T, Ford, Nokia and Qualcomm completed the first trial of C-V2X in the US at the San Diego Regional Proving Ground. Last year Panasonic, Ford and Qualcomm announced a joint agreement to test C-V2X in Colorado along the busy I-70 corridor. Once a spectrum solution comes into focus and widespread nationwide 5G becomes a reality, automakers will likely have the certainty required to deliver the full promise of autonomous vehicles.

#### FCC three-phase research plan



Tests to determine the technical characteristics of prototype unlicensed devices and how they are designed to cause harmful interference to DSRC. Basic field tests with a few vehicles at a DOT facility. The Phase 2 tests will determine whether the techniques to avoid interference that were evaluated in Phase 1's lab tests are effective in the field.

Tests in "real-world" scenarios, with many vehicles, more test devices and at a suitable facility.



The FCC, along with the Departments of Commerce and Transportation, are immersed in a three-phase research study to evaluate options for making the 5.9GHz band accessible to new uses.

## **Liability and insurance**

Traditional liability laws rely on the assumption that a human driver is in control of the vehicle. The inevitable deployment of driverless transit will systematically change the way liability laws are applied. Current legal frameworks are ill equipped to determine who is at fault—the owner, operator, passenger, manufacturer or coder. It will be increasingly hard to determine who or what is in control of the vehicle. Federal regulators have offered little guidance on the matter, with the Department of Transportation's 2018 AV 3.0 Report stating that compliance with federal safety standards "does not automatically exempt any person from liability at common law, including tort liability for harm caused by negligent conduct." Thus, dealing with this issue will primarily be the responsibility of state legislatures and courts to determine liability rules for autonomous vehicles.

Currently, most states have both tort liability laws holding drivers responsible for any accidents they cause as well as manufacturing liability laws detailing manufacturers' liability for any defects in their products. Confusion over which of these laws apply to companies that manufacture or design software for autonomous vehicles will lead to widespread confusion and increased legal costs in the absence of new legislation clarifying liability. Some states, such as Michigan and Nevada, have limited manufacturer liability by stating that manufacturers cannot be held liable for any unauthorized third-party modifications to their vehicles. Other states have implemented varying definitions of "operator" for liability laws. For example, under Texas law the owner of the vehicle is responsible for accidents and traffic violations, whereas in Tennessee the manufacturer assumes liability for any instances where their automated driving system is in control. Expect these definitions to shift further in the coming years as more states implement and update autonomous vehicle laws.

In addition to changes in the law, industry disruptions are on the horizon. Specifically, autonomous technology will significantly alter traditional auto insurance. Autonomous technology promises to make cars increasingly safer, which will significantly reduce accident frequency and, potentially, accident severity. KPMG estimated in a 2017 white paper that the industry's aggregate losses—the amount paid for all automobile accidents—could fall by roughly \$122 billion in nominal dollars.

As fleets of roadworthy vehicles transition from the non-autonomous status quo to partial driver substitution technology to a state of near-complete autonomy, the culpability arising from accidents will most likely move from the consumer to the auto manufacturer. Thus, the role of companies that manufacture or design software for autonomous vehicles in the insurance industry will likely disrupt the marketplace in three key ways.

First, we can expect a shift to manufacturers of driving risk and associated liability as more driving decisions are made by a vehicle's proprietary algorithmic "brain." Volvo and other manufacturers have announced that they would accept responsibility and liability should an accident occur due to their autonomous technology.

In addition to changes in law, industry disruptions are on the horizon.



Second, in an environment where driving decisions are shared between the driver and the vehicle, we may see a consolidation of legal exposure. Providing insurance to both the driver and the manufacturer could prove to be a legal advantage by reducing the volume of cross-suits between the two about blame.

Third, the next generation of cars will capture more, and more varied, data—moment-by-moment driving statistics, via an array of sensors and cameras. Who will get to use and control that data? Likely the manufacturers—as contractual requirements and/or incentives may compel/persuade drivers to deed their driving data to the manufacturers at the time of purchase.

Finally, its control of the new driving data, relationship with the vehicle's owner and assumption of legal exposure allow the manufacturers to redefine the driving insurance marketplace. In the future, the manufacturer could disintermediate the insurance company altogether. It could attain control of the driving data, and it would have strong competitive reasons to keep the information proprietary.



The inevitable deployment of driverless transit will systematically change the way liability laws are applied.

# Regulatory agencies and political leaders

Efficient mass adoption of autonomous vehicles depends on new federal legislation and an update to the relevant standards. At present, the federal government regulates the vehicle itself—its construction, composition and reliability—while state governments regulate driver competence. This disconnect, paired with a blurring line between driver and vehicle, has left autonomous vehicle companies to contend with a confusing patchwork of state laws. As stated by Sen. Cory Booker (D-NJ), "If the [current regulatory regimes] were around at the time of the Wright brothers, we would have never got off the ground in exploring air travel."

New federal legislation is required because the Federal Motor Vehicle Safety Standards (FMVSS) currently necessitate many human controls such as brake pedals and a steering wheel. Both the National Highway Traffic Safety Administration (NHTSA), which regulates cars, and the Federal Motor Carrier Safety Administration (FMCSA), which regulates commercial trucks, have opened a rulemaking inquiry into relaxing these restrictions. Transportation Secretary Elaine Chao has indicated support for changes as well, stating that she wants "consumer acceptance," rather than federal regulations, to be the main constraint on autonomous vehicle adoption. However, a full regulatory overhaul and the certainty it provides for AV companies will only come to fruition if required by a new federal law. The AV START Act, cosponsored by Senators John Thune (R-SD) and Gary Peters (D-MI), would remedy this situation by establishing federal standards for autonomous vehicle regulation and preempting the majority of state autonomous vehicle regulations. However, the bill has faced serious setbacks, most notably failing to gather the required 60 votes in the Senate in December 2018, which left it to expire at the end of the 114th Congress.

Senators Thune and Peters **plan** to reintroduce the legislation again this year. However, given that the group of Democratic senators that blocked the bill in the last session have given no indication that

their views have changed, passing the AV START Act without significant changes is sure to be a heavy lift. Additionally, while similar **legislation** unanimously passed the House in 2018, Democratic control of the lower chamber will likely bring skepticism about any attempt to preempt state safety regulation of autonomous vehicles. That being said, there is, in general, strong bipartisan support for an overhaul of federal vehicle safety standards.



**Elaine Chao**United States Secretary of Transportation (R)

"We are on the cusp of a transformation in transportation technology that will change the way we move, live, work and connect with one and another. We as regulators have a role to regulate that development."



**Doug Ducey**Governor of Arizona (R)

"We needed our message to Uber, Lyft and other entrepreneurs to be that Arizona was open to new ideas." If the state had a slogan, he added, it would include the words "open for business."

## **Data privacy and security**

## As Internet-connected technology is integrated into more parts of everyday life, regulations are falling behind.

Current federal law has little to say about connected vehicles or other Internet of things (IoT) devices, as there is no federal comprehensive AV legislation or regulations. While the existing Federal Trade Commission (FTC) Act gives the Commission the power to restrict "unfair and deceptive trade practices," this has generally not been applied to data privacy. As a result, it is primarily left up to the states to determine what, if any, data privacy and security regulations apply to autonomous vehicles.

Several states, Michigan and Nevada among them, have provisions in their AV laws requiring operators to provide privacy policies to riders and seek their permission before disclosing their personal information to third parties. However only California has comprehensive legislation governing both data privacy and security. The California Consumer Right to Privacy Act (CCPA), which goes into effect in 2020, will give consumers broad control over information collected about them, most notably by requiring a clearly visible "Do Not Sell My Personal Information" option. Additionally, the state's connected device legislation requires that IoT devices incorporate "reasonable" security features to prevent "unauthorized access, destruction, use, modification, or disclosure" of any data they contain. Both the FTC Act and the CCPA may serve as templates for other states seeking to regulate data privacy and security.

While data privacy and security may mostly fall under the purview of state governments at the moment, several proposals pending in Congress could change this dynamic in the years to come. With regard to data privacy, partisan differences have emerged concerning the role the federal government should play and the number of consumer protections companies should be mandated to follow. At one end of the spectrum,

Sen. Marco Rubio (R-FL) has introduced the American Data Dissemination Act, under which the FTC would be charged with developing and proposing new rules to Congress. This bill has been criticized for offering few concrete consumer protections and for the fact that it would preempt more comprehensive state legislation, including the CCPA.

At the other end of the spectrum, congressional Democrats have offered several proposals with stronger consumer protections. A bill sponsored by Sen. Amy Klobuchar (D-MN), would require companies to rewrite service agreements, using "language that is clear, concise, and well-organized," to allow consumers to see data collected on them and would require companies to notify consumers of any breaches within 72 hours. Critics of such prescriptive regulations say they are unnecessary government overreach that will harm innovation in a sector that is still developing.

Several cybersecurity proposals have been introduced as well, most notably the IoT Cybersecurity Improvement Act of 2019, which would require the National Institute of Standards and Technology to issue guidance for IoT best practices that would then be implemented by all federal agencies operating such devices. The bipartisan SMART IoT Act, which passed the House but failed to clear the Senate last year, would have tasked the Commerce Department with studying and recommending regulations for IoT devices. While Senate Commerce Committee Chair Roger Wicker (R-MS) has expressed support for "a federal law on the books by the end of 2019," governing data privacy and security, it remains to be seen whether any of these bills will attract the bipartisan support necessary to pass Congress this year.

We hope you have enjoyed our report on the US legal and regulatory landscape for autonomous vehicles. **Click here** to subscribe and receive Dentons' 2019 Global Guide to Autonomous Vehicles, scheduled for release this fall, as well as updates from our autonomous vehicles blog, **The Driverless Commute**, directly to your inbox.

#### **About The Driverless Commute**

Geared to autonomous vehicles and clocking the most important technical, legal and regulatory developments shaping the path to full autonomy, The Driverless Commute blog provides the latest info on pilot programs and the rapidly evolving regulatory environment, tracks changes in public perception of AV technology, and covers the global race to market, including alliances between top automakers and deeppocketed tech giants, and cross-border partnerships.



#### **Global Autonomous Vehicles**

Dentons' global AV team can help you navigate the labyrinth of national, regional and local laws, regulations and guidance relating to the development and deployment of AVs. Whether you are a startup, emerging company or multinational vehicle manufacturer, automotive OEM, vehicle or parts retailer or driverless-technology firm; a bus, taxi, transit or truck fleet operator; an auto liability insurer or finance company; or outside the sector preparing for implementation of AV technology or considering its implications for your business, we offer a full array of tech, regulatory, transactional and litigation support.

We are able to deliver on all fronts because our AV team draws from multiple practice areas within Dentons, including Transportation, Infrastructure, Energy, Public Policy and Advocacy, Corporate Transactions, Capital Markets, Insurance, Real Estate, Intellectual Property and Venture Technology, among others. Also, our members hail from offices around the globe, including in the US, Canada, the UK, France, Germany, Russia, China, Singapore and Australia. Finally, because we have extensive experience serving both the Automotive and Technology sectors, we have a deep understanding of the business issues impacting both of these industries.

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