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September 21, 2023

The Honorable Gavin Newsom Governor, State of California California State Capitol Sacramento, CA 95814

Dear Governor Newsom:

On behalf of the Consumer Technology Association, I'm writing to urge you to veto AB 316, which would essentially ban autonomous trucking development and deployment in California by mandating a human driver in every vehicle. While innovations from your state launched us on the road to a self-driving future, this legislation would undermine the state's reputation as an innovation hub.

The Consumer Technology Association represents the \$422 billion U.S. consumer technology industry, which supports more than 18 million U.S. jobs. CTA's represents more than 1000 technology companies – some 80% of which are small businesses and startups – including more than 100 companies in the diverse vehicle transportation ecosystem. I write on behalf of the many members engaged in efforts to develop and deploy highly automated and self-driving technologies.

Banning heavy-duty autonomous vehicles (AVs) would have a significant and detrimental impact on the safety of California's motorists. By mitigating traffic violations and distracted or impaired driving, self-driving technology has the potential to significantly reduce roadway fatalities and save thousands of lives a year. As I noted in testimony to a U.S. House of Representatives Energy & Commerce subcommittee in July:

- In 2022, 43,000 people in America lost their lives in automobile crashes, with 94% of crashes linked to human error.
- AVs are designed not to exceed speeding limits. Speeding is a contributing factor in more than 11,000 deaths and more than 300,000 injuries on U.S. roads each year.
- In addition to the impact on public safety, banning autonomous trucks would have a negative impact on our nation's supply chains, an area of significant concern given the disruptions of the past several years. The trucking industry is experiencing a shortage of commercial truck drivers, which is only expected to worsen with estimates of shortages reaching 160,000 truck drivers by 2030. Autonomous vehicles can help close the gap, working in tandem with human drivers to deliver goods to American consumers amid a surge in demand.

In fact, according to a study funded by the U.S. Department of Transportation and Federal Highway Administration, automating long-haul trucking will spur \$111 billion in aggregate investment spending



across the U.S. economy, increase total U.S. employment by 26,400 to 35,100 jobs per year on average, and raise annual earnings for all U.S. workers by more than \$200 per worker per year. In California specifically, one study found that autonomous trucking technology can add \$6.5 billion in economic activity to the state, while bringing greater efficiency to our supply chain, spurring wage gains and job growth.

Allowing AB 316 to become law would deal a major blow to California industry, leaving AV trucking innovators to forge a multi-state transportation network that stretches from Arizona to the coast of Georgia. California's logistics industry – already struggling amid spiraling shipping costs – would see further loss of freight volume to Gulf and East Coast ports and the state will fall in independent rankings of innovation friendliness, including the Consumer Technology Association's <u>U.S. Innovation Scorecard</u>. It's not too late to reverse course and support AV technology in California, which promises to save lives and boost the economy.

Thank you for your consideration on this important issue.

Sincerely,

Gary Shapiro

President and CEO

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Consumer Technology Association