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September 7, 2018

The Honorable John Thune
Chairman
U.S. Senate Committee on Commerce, Science, and Transportation
Washington, D.C. 20510

The Honorable Bill Nelson
Ranking Member
U.S. Senate Committee on Commerce, Science, and Transportation
Washington, D.C. 20510

The Honorable Gary Peters
U.S. Senate
Washington, D.C. 20510

Dear Chairman Thune, Ranking Member Nelson, and Senator Peters,

Thank you for your leadership to promote and support the AV START Act, S. 1885. The bill is a critical step forward to a future where fewer Americans lose their lives on U.S. roadways, individuals with disabilities have greater options for mobility and traffic jams and road congestion is less frequent. Mercedes-Benz Research & Development North America, Inc. (MBRNDNA) stands ready to work with you and your Senate colleagues to pass S. 1885.

The current legal framework allowing states to create their own regulatory regimes for highly automated vehicles (HAVs) is resulting in a patchwork system of laws that are often contradictory. To successfully bring HAVs to market manufacturers need strong Federal regulation to provide certainty. In our view, the HAVs deserve the same level of Federal oversight that the current regulatory system provides to vehicles on the road today. AV START would ensure the National Highway Traffic Safety Administration (NHTSA) modernizes Federal Motor Vehicle Safety Standards (FMVSS) to account for new technologies while remaining technology-neutral. Updating current FMVSS will help foster innovations that have the potential to reduce the number of American traffic deaths (~40,000 per year).

Safety is a core value of MBRNDNA. Safety drives the work we are doing to commercialize HAVs. Beyond the safety benefits, HAVs will have other important effects. For example, HAVs will provide dignified independence for the millions of Americans who are blind or have other disabilities preventing them from driving conventional vehicles. Many in this population cannot fully participate in the workforce due to lack of reliable transportation; HAV adoption can lead to





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greater employment opportunities. Environmental and congestion-mitigation benefits must also be considered.

A recent study released in summer 2018 by Securing America's Future Energy (SAFE) authored by Erica Groshen, former Commissioner of the Bureau of Labor Statistics (BLS), John Paul Macduffie, Professor of Management at the Wharton School, Susan Helper, former Chief Economist of the U.S. Department of Commerce, and others, quantified economic impact of HAVs. The authors found the annual public benefit to be an estimated \$633 billion, including \$71 billion from congestion mitigation, \$118 billion from accident reduction (economic impact), etc. Additionally, the authors estimated \$163 billion annually in direct consumer benefit, due to value of time and reduction in cost of current taxi service. The report concludes an estimated total annual benefit (by 2050) of \$796 billion to the U.S. economy.¹

The suite of innovative technology advancements that work together to make an HAV system is the next step – albeit a revolutionary one – on the long timeline of automotive safety advancements. These technologies, such as seat belts, air bags, collision warning systems, etc. have contributed to the downward trend of traffic deaths on U.S. roads in the last several decades. Due to increasing driver distraction and human error, this trend appears to be reversing course and now increasing. HAVs have the potential to change this current trend.

Again, thank you for your important work on the AV START legislation. On behalf of MBRNDA, I encourage your Senate colleagues to pass this important bill as soon as possible.

Sincerely,

Philipp Skogstad
President and CEO, Mercedes-Benz
Research & Development North America, Inc.

Cc:

The Honorable Mitch McConnell, Majority Leader, U.S. Senate
The Honorable Charles Schumer, Minority Leader, U.S. Senate
The Honorable Roy Blount
The Honorable Debbie Stabenow

¹https://avworkforce.secureenergy.org/wp-content/uploads/2018/06/Americas-Workforce-and-the-Self-Driving-Future_Realizing-Productivity-Gains-and-Spurring-Economic-Growth.pdf





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The Honorable Roger Wicker