

January 9, 2020

Non-Traditional and Emerging Transportation Technology (NETT) Council
1200 New Jersey Ave SE West Building
Washington, DC 20590-0001

Re: Docket No. DOT-OST-2019-0165

Local Motors, LLC. submits this comment to the NETT Council in response to the request for comments from stakeholders regarding whether and to what extent the Department's existing regulatory construct supports or hinders innovation.

Question 1 from the NETT:

"1. Are there existing Federal transportation laws or regulations that inhibit innovation by creating barriers to testing, certifying or verifying compliance, or operating non-traditional and emerging transportation technologies? Please provide specific examples, explain why the requirement imposes a barrier, and identify the specific law or regulation that you believe should be changed and describe how it should be changed. Please identify all associated regulations that should be changed, including specific citations to the Code of Federal Regulations and explain the need for the change?"

A primary regulatory hurdle for a new domestic manufacturer such as Local Motors is receiving an exemption or exception for research, investigations, or demonstrations for a non-compliant vehicle on public roads. Foreign manufacturers have a path utilizing Part 591 and established OEMs have a path via the FAST Act amendment of 2015. This inequality puts smaller, innovative American vehicle manufacturers at an extreme disadvantage, hindering competitiveness and endangering American leadership in autonomy and new technology development. American cities and localities want the opportunity to deploy domestically manufactured vehicles as evidenced by the response to the USDOT Grant Opportunities for pilots of AVs. The exclusion of newer American mobility companies from testing and deploying stifles innovation, making it difficult to find mobility solutions that work for regional, state and local communities.

Local Motors met with NHTSA in November and December of 2017 and discussed the issue of Olli, our low-speed shuttle that operates under 25mph, not qualifying within the description of any existing vehicle classification. The unlevel playing field created by Part 591 was also discussed with NHTSA during those meetings.

American mobility manufacturers and companies are finding ways to test autonomous vehicles, but the regulatory roadblock above inhibits what NHTSA has acknowledged is essential for the advancement of autonomous vehicles: gathering real-world data from testing on public roads. While companies can track miles and curate learnings from testing and deploying on private roads, the current regulatory imbalance eliminates exposure to public roads where real-world experiences are critical for the advancement of these vehicles and the education of consumers and local, state and regional legislators.

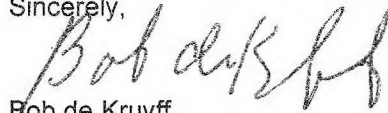
Local Motors is asking for the same opportunity offered to foreign manufacturers to research, investigate, and demonstrate non-compliant vehicles on public roads. Allowing domestic companies to test and deploy the transportation infrastructure of the future will bring employment opportunities to American towns and cities, increase economic activity, and foster democratized access to mobility.

Secretary of Transportation Elaine Chao can overcome this challenge by granting domestic manufacturers special exemptions for purposes of research, investigations, demonstrations, and training

on public roads, via 49 U.S.C. & 30114(a) without requiring additional rulemaking from NHTSA. This statute unequivocally grants the Secretary this authority without rulemaking.

The NETT should expedite rulemaking to provide a level playing field for American Manufacturers to help ensure American leadership as referenced in the recently released Department of Transportation "Ensuring American Leadership in Automated Vehicle Technologies Automated Vehicles 4.0".

Sincerely,

A handwritten signature in black ink, appearing to read "Bob de Kruff". The signature is written in a cursive, slightly slanted style.

Bob de Kruff
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