

February 26, 2020

Mr. Finch Fulton,  
Deputy Assistant Secretary for Transportation Policy  
U.S. Department of Transportation  
1200 New Jersey Avenue, SE  
Washington, DC 20590-001

Re: Docket No.  
Ensuring American Leadership in Automated Vehicle Technologies- Automated Vehicles 4.0

Submitted via Regulation.gov.

Dear Deputy Assistant Secretary Fulton,

Automated driver assistance system (ADAS) and automated driving system (ADS) technology is rapidly increasing automation of the driving function. As these innovations fundamentally change the nature of driving, property casualty insurers will have a key role to play in encouraging the safe and efficient introduction of advanced vehicle technology. In order to do so, insurers must have access to information and data to innovate and develop services, products and pricing to support the new automotive technologies.

The American Property Casualty Insurance Association (APCIA) is the primary national trade association for home, auto, and business insurers. APCIA promotes and protects the viability of private competition for the benefit of consumers and insurers, with a legacy dating back 150 years. APCIA members represent all sizes, structures, and regions-protecting families, communities, and businesses in the U.S. and across the globe. Together, APCIA members write 53 percent of the automobile insurance in the United States.

Today, the automobile insurance industry faces disruption on several fronts. The recent increase in the number of accidents, injuries and deaths on our roads comes at a time when vehicles are safer than ever due to better construction and crash avoidance technology. However, those same improvements that make vehicles safer also significantly increase the cost of repairs. The cost of medical care for auto accident victims is also increasing much faster than the rate of inflation. While navigating these issues, insurers will be challenged to make fundamental changes in how they assess risk as the focus moves from the human driver towards the technology that operates the vehicle.

As was the case with the earlier guidance, "Ensuring American Leadership in Automated Vehicle Technologies, Automated Vehicles 4.0" has no direct mentions of auto insurance, but it does raise issues that are important to automobile insurers:

### **Safety**

APCIA believes that safety standards applicable to automated vehicles must set clear expectations for the public and provide clear direction for technology developers and manufacturers for compliance. As such, we believe that the existing Federal Motor Vehicle Safety Standards (FMVSS) should be updated to address vehicles with both automated driving systems (ADS) and advanced driver assistance technology (ADAS). APCIA also supports the concept of requiring manufacturers to submit self-certification of their technology and that that recall authority applies to these systems, as it does for conventional vehicles serving as the primary enforcement mechanism for the FMVSS.

APCIA believes that exceptions to existing auto safety laws and motor vehicle safety standards should be rare, limited to only the highest levels (i.e. fully autonomous) of automated driving and should clearly define the levels of automation to which the modification applies. Exceptions should not be made for collision protection standards.

## **Single Data Access Standard and Data Elements**

When determining liability in an auto accident claims situation, the primary approach today is to interview the drivers. With automated vehicles, insurers will need access to recorded vehicle data to provide evidence of how an accident happened. APCIA believes that our current state-based system of determining liability for accidents and compensating victims should be able to adapt to the changing nature of the driving risk, but only if vehicle data is accessible and in a form that allows for prompt accident investigation and resolution of claims.

Access to and sharing of automated or autonomous vehicle data is a critical issue, not only for insurers, but for automotive technology developers, manufacturers, vehicle owners and numerous other stakeholders. Safety, security, privacy and protection of intellectual property are all important, but must be balanced with the need for third parties to access such data. At a minimum, vehicle owners or lessees should have the ability to authorize access to vehicle data to third parties with whom they wish to share data for any reason.

The 4.0 document continues to call for the private sector to identify opportunities for voluntary data exchange, but it's becoming clear that manufacturers are reluctant to do so absent clear guidance on what their obligations are. Establishing a single set of rules for data access and sharing at the federal level, and a standardized set of data elements that balances the interests of all stakeholders is critical. One suggestion that APCIA supports is updating the current event data recorder (EDR) law to apply to automated vehicles with the department working with state motor vehicle regulators, and insurance regulators to develop a standard set of data elements.

## **Standardization of Terminology for ADS and ADAS Systems**

APCIA strongly believes that there should be standardization of terminology used to describe both automated driver assistance (ADAS) and automated driving systems (ADS) used for highly automated or "self-driving" vehicles. Common terminology would also enable the public to have a clearer understanding of the technology and allow insurers to identify and differentiate systems by performance, a critical element for insurance product development and pricing.

## **Recognition of State Regulation of Insurance and Liability Issues**

APCIA supports preservation of the current division of federal and state regulatory responsibilities for motor vehicles, with the federal government setting and enforcing safety standards for motor vehicles and recalls, setting requirements for large vehicles. The states should continue to have primacy on motor vehicle "rules of the road", liability issues, insurance requirements and regulation, as they do today.

## **Conclusion**

Automated driving technology holds great promise for the future, and implementing clear standards for safety, maintaining the current federal and state roles in regulating automated vehicle technology and ensuring that insurers have access to vehicle data on reasonable terms to efficiently handle claims, develop products and underwriting methods are an essential first step toward that future. APCIA and its members stand ready to assist the Department of Transportation and look forward to working together to establish a regulatory framework for automated driving.

Sincerely,



Robert Passmore