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Testimony of Senator Jeff Waldstreicher Senate Bill 685 – Vehicle Laws – Autonomous Vehicle Converters – Sale of Autonomous Vehicles

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Chairman Smith and Members of the Judicial Proceedings Committee:

All over the country, entrepreneurs and innovators are developing the autonomous vehicles of the future. As you probably know, these autonomous vehicles—also known as self-driving vehicles—are capable of traveling without human input. One company on the cutting-edge of this technology is RRAI, located right here in Maryland.

RRAI has delivered autonomous mobility and robotics solutions for more than two decades. In fact, they were the first DOD-approved company to deploy unmanned vehicles. Here in Maryland, technology companies like RRAI buy vehicles, integrate their autonomous technology, and then sell these vehicles to their commercial and industrial customers.

Now, companies like Maryland's RRAI are a little different than Tesla, or GM, or Ford. Those companies *manufacture* autonomous vehicles. But vendors like the U.S. military often don't want to lock themselves into particular manufacturers. They want to be manufacturerneutral, and instead add autonomous capabilities to existing, trusted vehicles. That's exactly what companies like RRAI do. They buy off-the-shelf vehicles, make those vehicles autonomous, then sell those vehicles to the military, ports, or other government agencies.

Here's the problem: potentially, this means that they are technically auto dealers. Which of course they are not.

Specifically, Maryland law stipulates that selling three or more vehicles in a calendar year requires a vehicle dealer's license. Senate Bill 685 would codify the definition of "autonomous vehicle converter" and exempt these technology companies from our vehicle dealer statute. Notably, this bill is narrowly tailored to eliminate the possibility of unintended consequences. Regular passenger vehicles are not covered, and the vehicles sold must exceed weight and capacity thresholds established under federal law.

Senate Bill 685 is simple legislation that provides innovative Maryland companies like RRAI the ability to scale up and grow. These companies never intended to be auto dealers, and this bill clarifies that. I respectfully request a favorable report.

Very truly yours,

Senator Jeff Waldstreicher