

V O L V O

TO: The Honorable Marc Korman, Chair
Members, House Environment & Transportation Committee
Delegate Vaughn Stewart

FROM: Richard A. Tabuteau

DATE: February 6, 2025

RE: **UNFAVORABLE** – House Bill 439 – *Vehicle Laws – Fully Autonomous Vehicles – Human Safety Operators and Reporting Requirements*

In Maryland, Volvo Group North America's Hagerstown Powertrain Production facility employs nearly 2,000 people including over 1,400 members of the UAW Locals 171 and 1247 and is the last major automotive manufacturer in the state. The plant develops, manufactures, and tests heavy-duty powertrains, transmissions and axles for its Mack and Volvo trucks as well as Prevost and Volvo buses at its 280-acre campus. Volvo Group also employs more than 60 people at one of its U.S. parts distribution facilities in Elkridge.

Volvo and Mack Trucks are the North American industry leaders in Zero-Emission (ZE) Class 8 truck sales. In 2020, the Volvo Group set a goal of having 100% of its product sales being fossil free by 2040, including a nearer term goal of 35% of product sales being zero-emission by 2030. The Hagerstown plant plays a key role in this transition through the manufacturing of all modular power boxes for the Volvo VNR electric and Mack LR electric Class 8 trucks.

In addition to vehicles that advance Volvo Group's ZE leadership, Volvo is leading in the commercial autonomous vehicle space, by developing the Volvo VNL Autonomous. The Volvo VNL Autonomous is a truck built for autonomy featuring six critical redundant systems—dual braking, steering, communication, computing, power, energy storage, and motion control—enabling safe operations. The Volvo VNL Autonomous is built on Volvo's autonomous technology platform that can integrate multiple virtual drivers, supporting diverse operational needs, use cases, and Volvo Group truck brands. Volvo Group is currently testing the VNL Autonomous vehicles in Texas.

House Bill 439 prohibits highway testing of commercial autonomous vehicles (AVs) unless a human safety operator is fully present in fully autonomous vehicles. Of the 36 states around the country which allow for AV testing, none have passed legislation requiring a human safety operator. Undoubtedly, these states are keenly aware of the economic benefit of creating a policy environment that support the research and development of AV technology. The Maryland Motor Vehicle Administration (MVA) too recognizes this imperative and established the Connected and Automated Vehicles Workgroup to promote AV innovation by developing a

strategic framework that prioritizes safety. Notably, this workgroup includes highway safety organizations and state and local officials, among others. Volvo Group (and other companies with a presence in Maryland) are vigorously competing to win the future of AV technology. This bill represents an unnecessary step backward.

Importantly, this bill is unreasonably premature. As the MVA explained to this committee last year, there are no fully autonomous vehicles on State roadways. Current testing in Maryland takes place at designated sites owned by the Maryland Department of Transportation and its partners. For AV testing on state roadways to occur, Maryland must first pass legislation authorizing testing on state roadways with appropriate safety guardrails following engagement with industry stakeholders to develop this framework. As such, this bill prohibits a specific element of AV testing on state roadways, when AV testing on state roadways is not even authorized.

House Bill 439 also has various reporting requirements, which are largely duplicative of existing obligations of a National Highway Traffic Safety Administration (NHTSA) Standing General Order, under which collision data about AVs is publicly available. Volvo Group also has responsibility for reporting under the Safety Act for fully integrated vehicles. AV equipment suppliers, who partner with vehicle manufacturers, also have reporting requirements. Moreover, the proposed reporting requirements under House Bill 439 do not offer any privacy or confidentiality protections. Conversely, the NHTSA Standing General Order allows companies to designate certain information as confidential business information. Again, Maryland has not even legalized AVs for state roadways. These duplicative reporting requirements only serve to further inhibit AV investment and innovation in Maryland.

Volvo Group strongly urges the House Environment & Transportation Committee to give House Bill 439 an unfavorable report. With this proposed law, Maryland would be a national outlier, as the only state in the United States to pass legislation stifling AV innovation by requiring by law a human operator.

For more information call:

Richard A. Tabuteau
347.886.2904