The Honorable Marc Korman Chair, House Environment and Transportation Committee 250 Taylor House Office Building Annapolis MD 21401

Re: Unfavorable- House Bill 439 – Vehicle Laws – Fully Autonomous Vehicles – Human Safety Operators and Reporting Requirements

Dear Chair Korman and Committee Members,

Howard County-based STEER Tech offers the following information for the Committee's consideration regarding House Bill 439.

As the automated vehicle (AV) industry continues to evolve, it is essential that Maryland maintain a forward-thinking approach to technology and innovation. The Maryland Department of Transportation (MDOT) has been proactive in its efforts to facilitate the safe testing and deployment of autonomous vehicle technologies in the state. The MDOT is committed to ensuring that Maryland benefits from the many advantages AVs have to offer, including improved safety, accessibility, and mobility. By working collaboratively with industry stakeholders, the MDOT has developed a comprehensive framework for testing autonomous vehicles, which has been a key factor in ensuring safety while enabling progress.

House Bill 439 contradicts the administration's longstanding efforts to support critical advancements in AV technology and build public trust in technology and has the potential to create significant barriers to the safe testing, development, and deployment of AV technologies in Maryland.

Sec. 18.3-102 mandates additional requirements to report to the State for incidents, much of which is already being submitted to NHTSA via their portal. The additional reporting burden is not only mostly duplicative of the federal requirements of companies, but it is also burdensome to small AV businesses in the state. Implementing reporting requirements that apply to all autonomous vehicle situations—regardless of operational design domains, geography, speed, or risk—will lead to an overwhelming increase in reporting obligations for AV manufacturers.

Additionally, the mandate for MDOT to brief the Senate on the impact of autonomous vehicles on jobs and other factors over a five-year period, with data primarily derived from information provided by vehicle operators, is of significant concern. Relying heavily on human drivers, and not comprehensive data, could lead to skewed results. How this data is interpreted, could ultimately hinder progress, and slow the deployment of a technology that has the potential to be transformative.

The reporting burden is not only detrimental to the AV industry, but it will also have an impact that could reverberate across state government with unintentional adverse effects. In addition to MDOT's \$1,300,000,000 cut from their six-year capital spending program, which includes deferring critical transportation projects, Maryland is facing an overall nearly ~\$3,000,000,000 deficit for FY26. The significant strain on State resources, specifically MDOT, is an inefficient use of taxpayer funds with minimal benefit.

Sec. 18.3-103 would mandate that a human operator be present in fully autonomous vehicles at certain times, even in cases where the technology is capable of operating without human intervention. The U.S. Department of Transportation (USDOT) has recognized that autonomous vehicles have the potential to

improve safety, reduce traffic congestion, enhance mobility options, and increase economic productivityall of which have the ability to increase quality of life, and mitigate human error contributing to the loss of life.

Rapid advancements across industry have led to technology that is already demonstrating the potential to transform transportation systems across the globe. Fully autonomous vehicles, particularly those at Level 4 or Level 5 automation (as defined by SAE International), are designed to operate without human intervention under specific conditions and operating design domains. Several manufacturers building these vehicles have spent years, if not decades, testing, refining and advancing these capabilities safely for betterment of society. Limiting research and development methods hinders the timely advancement of AV capabilities which will delay or impede the widespread adoption of this life-saving technology.

At present, 24 states have passed laws allowing the deployment of AVs without a human operator, while 12 additional states allow for testing. As other states move forward with testing, trust building and deploying AV by allowing the removal of a human operator when certain conditions and milestones are met, Maryland could risk falling behind in this rapidly evolving field.

In summary, HB 439 will undermine Maryland's position as a leader in the transportation sector and disrupts the state's carefully structured approach to the testing and deployment of AV technology- which has historically not only led to critical advancements in the sector, but has also built public trust. Other states, with less restrictive policies, are actively positioning themselves as hubs for AV development, which could result in lost economic opportunities for Maryland, and the loss of companies willing to remain in the state or come to Maryland. An outcome MDOT has strived to avoid since the start of their work in 2015 with various partners to establish a framework for safely testing and deploying connected and automated vehicle (CAV) technologies in the state. This collaborative process ensures that autonomous vehicle testing is done in a manner that prioritizes safety and allows for innovation without unnecessary restrictions.

In addition to the significant burden on State resources, the passage of HB 439 will discourage businesses, developers, and researchers from bringing their innovations to the state, and adversely affect existing businesses within Maryland. For these reasons, the STEER Tech respectfully requests that the Committee give an unfavorable report for the potential negative impact that House Bill 439 could have on the future of autonomous vehicle development in Maryland. Rather than placing unnecessary restrictions on this transformative technology, we encourage the Committee to support policies that allow for dialog, continued safe testing, development, and deployment of fully autonomous vehicles in Maryland.

Thank you for your time and consideration.

Respectfully submitted,

Anuja Sonalker, President & CEO STEER Tech 10840 Guilford Rd Annapolis Junction, MD 20701 240-787-8000 | anuja@steer-tech.com