

Washington State Autonomous Vehicle Work Group Subcommittee Discussion Form

Subcommittee	Licensing Subcommittee
Date of Meeting	April 7, 2020
1) NOTEWORTHY TOPICS OF DISCUSSION, SUMMARY OF DISCUSSION, AND OUTCOME OF DISCUSSION	
<p><u>Discussion on Implementation of ESHB 2676 Autonomous Vehicle Testing:</u> <u>Section 1 of bill:</u></p> <ul style="list-style-type: none"> • Concerns were raised in relation to the cost of the required insurance, as larger companies may have greater capacity to carry the cost of premiums. • Questions were also raised in relation to the mechanism by which testing entities will be required to submit evidence of coverage. <ol style="list-style-type: none"> 1. Subcommittee members discussed the level of information that would need to be provided to the DOL by testing entities or their commercial insurance agents, and whether part of this information may be redacted. A key concern related to information associated with premiums paid. 2. It was suggested that it may be streamlined for the department to receive the proof of coverage directly from commercial insurance agents rather than from the testing entity. Commercial insurance agents may face strict penalties for falsifying documents, so requiring the documents directly from them may decrease the risk of documents being doctored in transition. 3. Subcommittee members indicated that a certificate of insurance may provide the right level of information, and in combination with having the information sent directly from the insurance agents, would help to streamline the process. 4. DOL has a duty to read documents that it requests. Documents such as the policy, or letters of endorsement, include additional detail that may weigh down the process. • There were concerns over the use of the term “Umbrella” in the policy, and whether the DOL would accept a policy that is not termed as such. <ol style="list-style-type: none"> 5. It’s unlikely that the DOL would reject a policy that is not referred to specifically as “umbrella” as we will mainly be looking for documentation of evidence that indicates a level of financial responsibility that sufficiently meets the set requirements. 6. Subcommittee members also asked whether the “Umbrella” insurance policy could cover multiple states for companies that are testing in multiple locations, or if a Washington specific policy would be needed. 7. Subcommittee members agreed that this would largely depend on the specific policy, as an “Umbrella” policy refers to a general insurance policy that would cover whatever is spelled out on the declaration page. It may be possible for insurance companies to provide coverage for entities conducting business in multiple states. 	

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Next Steps: DOL will reach out to the Liability Subcommittee for more direction on the insurance documentation to satisfy this requirement, including the direction to give to the self-certified companies.

Update: On April 16th, representatives from the Licensing subcommittee (Drew Wilder, Jill Johnson, and George Price) met with the co-chair from the Liability subcommittee; David Forte (OIC).

The following were the recommendations that came out of that meeting:

- DOL will request the Certificate of Insurance (COI) from the self-certified companies to show that they satisfy the new insurance requirement. The companies may send the document directly to DOL or have their insurance agent forward the document. This will also address the public disclosure concerns that were raised.

Companies that have an umbrella policy in other states that satisfy the minimum liability requirements for Washington may use the same policy. Additionally, if a policy does not use the term “umbrella”, it can still meet the statutory requirements for our state.

Section 2 of the bill:

Concerns over public access to information provided by self-certified companies:

- ✓ One subcommittee member raised the need for balance between the collection of data, and the protection of propriety information.
- ✓ One subcommittee member reminded the group that any information collected from the companies becomes subject to public access. There are concerns from testing entities that some data may reveal proprietary information that competitors could take advantage of.

*Recommendation: there may be a need to consider whether the information collected is needed or just a “nice to have”.

Regarding public access to information and annual reporting to the legislature:

- ✓ Representatives from the DOL indicated that the information, as long as there is nothing proprietary in nature, would be useful for the public to have.
- ✓ Asked about the types of questions that the DOL is receiving from the public, it was indicated that many questions pertained to where and when testing is happening, and whether AVs were involved in any collisions. These questions are difficult to answer at the moment due to the lack of data, but will be improved with this bill.

Concerns over how companies notify law enforcement jurisdictions and DOL:

- ✓ Subcommittee members raised that it would be helpful if there was a system that could help deliver the collected information to the appropriate enforcement agencies, rather than have testing entities be responsible for sending the information.
- ✓ It was noted that many testing entities test across the country, making it difficult for them to keep track of which enforcement entities need to receive the information.

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- ✓ Subcommittee members noted that it would be difficult for testing entities to know which law enforcement entities they would need to notify, and would like an approach where they would be able to issue a notification automatically.
- ✓ DOL indicated that their role in this notification process will be minimal, and it will be up to the individual jurisdictions involved.
- ✓ DOL noted that it will be difficult to have a process for the law enforcement notifications, however DOL will strive to have a streamlined approach for reporting to the DOL. Only the notification of vehicle testing needs to be sent directly to law enforcement entities, not collision information.
- ✓ Subcommittee members also noted that in addition to contact information and vehicle traits, the notification to law enforcement agencies should also include information for safety and law enforcement entities to appropriately engage with the testing vehicle in an emergency situation, such as how to disengage it if no on-board operator is present*.

*Action: Licensing subcommittee would like to bring this issue up to the Executive Committee. Possible addition to statute?

Concerns related to the requirements for the annual collision report:

- ✓ Subcommittee members had differing opinions on whether collision data should be reported for all incidents involving test vehicles while in or shortly after operation, or if this should be limited to only incidents involving test vehicles when the automation feature is engaged. There were concerns that testing entities may be able to disengage their automation features at the time of an incident, and potentially result in under-reporting.
- ✓ Some members also wanted to limit the types of incidents that need to be reported to those where the testing vehicle is deemed at fault. However, others noted that the point of this reporting is to develop a complete data set to understand potential issues more fully. While a testing vehicle may not be at fault according to police reports, if a particular vendor's vehicles are repeatedly involved in similar types of incidents (such as being rear-ended), this may point to other underlying issues that would be of interest to lawmakers and the public.
- ✓ A question was asked if entities who register to test in Washington but do not actually do active testing or have no reportable incidents would still have to sign or submit some sort of documentation in lieu of the report.
- ✓ A representative of the DOL noted that this will likely be required as the legislature would be interested in the information regarding whether or not incidents occurred.

Regarding the possible administrative fee noted in Section 2:

- ✓ Representatives from the DOL indicated that there remains some time before this section of the bill is effective, so there is still opportunity to consider what this will look like.
- ✓ One subcommittee member noted that it may be useful for the DOL to observe how this process pans out over the course of the year, and re-examine what the administrative burden looks like before a fee is determined.



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Next Steps:

Further subcommittee discussion needed on what information is collected is actually needed or just a “nice to have”.

Recommendation: Licensing subcommittee would like to bring this issue of law enforcement being provided disengagement instructions for vehicles without an operator present to the Executive Committee for further discussion.

2) NEXT STEPS AND PLANS FOR SUBCOMMITTEE

Plans for Licensing Subcommittee:

April 7th meeting: Voted on and approved Safety Subcommittee recommendation for legislative change to RCW 46.37.480(1) regarding screens in vehicles. Recommendation now moves to Executive committee for consideration. Discussed the upcoming implementation of ESHB 2676: Autonomous Vehicle Testing and discussed some of the concerns around insurance and reporting requirements.

June 22nd meeting:

- Continue discussion on concerns regarding Section 2 of ESHB 2676.
- Gather feedback and recommendations for HB 2470 (Uniform Law Commission) legislation.

September 2020 meeting:

- Continue gathering feedback for legislature on HB 2470 (if needed)
- Discussion of different AV licensing models used by other states