

Testimony before the House Transportation Committee
SB 546 – providing for the use and regulation of autonomous vehicles
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In-Person testimony in support
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Mr. Chairman and members of the Committee

We are pleased to have the opportunity to appear before you today on SB 546, which would establish the framework for Kansas to join the 44 other states which have autonomous vehicle policies.

In today’s environment, meeting the challenges of supply chain availability and the expectations of consumers that the products they need will be available on their local store shelves, Walmart has been a leader in innovation. The American Trucking Associations, Inc. estimated that in 2021 the truck driver shortage hit a historic high of just over 80,000 drivers. Their Oct., 2021 report goes on to estimate that the shortage could very well balloon to 160,000 by 2030.

Walmart is actively recruiting drivers and is currently offering salaries of over \$80,000 + benefits. We have even seen in the news that the trucking industry is considering lowering the standards and age requirement for drivers of the large rigs to address the shortage. With the overwhelming percentage of accidents being due to driver error, this is not the solution.

Kansas is one of only 6 states that has not addressed autonomous vehicles in law. For its part, Walmart has in place a very successful AV program in Arkansas and Louisiana. Walmart has partnered with AV industry leader Gatik, which has a 100% safety record. That’s right – 100%.

Over several months prior to this legislative session, we conducted numerous conversations with dozens of key individuals, legislative leaders, committee chairs, committee members, KDOT, the Governor’s office, members of labor, and the national AV industry, in an effort to inform stakeholders of what is in place legislatively in other states. In our view, having no policy in place is not the best public policy. Having the state needing to react to the technology if it comes to Kansas due to the absence of specific laws or regulations regarding the use of AVs, is not prudent. We decided that the best policy would be to ask the Legislature to join the vast majority of states with AV policies in place. SB 546 represents an excellent framework for a workable AV policy in Kansas.

Safety is our number one goal. Although there is no federal law occupying the field for AV use in America, US DOT and the National Traffic Safety Administration (NHTSA) still have authority to assure safety and keep unsafe technologies off roadways through existing frameworks such as the Motor Vehicle Safety Act, defect and recall authority, investigative authority and civil penalties. NHTSA has also clarified in published guidance that there is a clear federal and state delineation of jurisdiction when it comes to AV regulation. Federal regulation oversees design, construction and performance. The states oversee operation and use. SB 546 emphasizes the importance of safety and close corroboration with law enforcement and regulatory bodies.

We, and others in the AV space, do not deploy without extensive testing and perfection of the operating systems. Kansas would be far from the first state where AV's have been successfully deployed. For that reason we ask that unnecessary restrictions not be enacted that have not been issues where deployment has been successful in other states. Kansas, being at the strategic crossroads of the country, is already behind the curve with AV deployment. While this technology may be new to some, it is not new to us. Our safety record speaks for itself.

Naturally, there will be questions about this new-to-Kansas technology. That is why we have the industry experts here to further explain the bill and the technology.

Again, thank you for the opportunity to testify and I'll be happy to answer any questions I am capable of answering at the appropriate time.

Walmart, the largest retailer in America, serves over 160 million customers each week and is committed to the State of Kansas and its prosperity. Walmart employs more than 22,000 Kansans and operates 83 stores in the state. In FYE 2021, Walmart collected on behalf of the State of Kansas more than \$423.6 million in sales tax and paid more than \$71.6 million in state and local taxes. Walmart also spent over \$634.8 million with local Kansas suppliers and donated \$7.6 million to charitable organizations in communities throughout Kansas in FYE 2021.

Senate Bill 546: Providing for the Use and Regulation of Autonomous Motor Vehicles and Establishing the Autonomous Vehicle Advisory Committee

Benefits of Autonomous Vehicles

- **Safety:** 94% of accidents are caused by human error. This bill will improve safety by reducing the number of road incidents caused by distracted, inattentive or impaired driving.
- **Make the supply chain more reliable:** Protect against severe driver shortages and ensure essential goods and supplies reach Kansans quickly and efficiently.
- **Economy:** create new, high-quality, high-paid jobs in Kansas.

Autonomous Vehicles in Other States

- 44 states have enacted legislation or developed policies relating to autonomous vehicles. There is strong support in Oklahoma for the passage of autonomous vehicle legislation during the current session.
- While aligning Kansas with language that is commonplace in many autonomous vehicle bills, including nearby states such as Arkansas, Oklahoma and Iowa, **SB 546 includes a more comprehensive level of safety guardrails than any other legislation in the country** (i.e. 12 month safety driver requirement and clarity in relation to vehicle owner liability).

Overview of SB 546

- The bill will enable driverless-capable vehicles (including light, medium and heavy-duty trucks, and vehicles designed to carry passengers) to operate in Kansas providing very strict safety criteria are met, including:
 - The vehicle must be capable of complying with all applicable traffic and motor vehicle safety laws in the state.
 - The vehicle must be in compliance with all applicable Federal Motor Vehicle Safety Standards.
 - A conventional human driver is required to be physically present in every driverless-capable vehicle placed into service in Kansas for the twelve consecutive months from the date it is placed into service in the state, with the exception of:
 - Vehicles that are not designed for human occupancy.
 - Vehicles that lack manual controls for operation by a human driver.
 - Submission of a detailed law enforcement interaction plan is required before any driverless-capable vehicle can operate in the state.
 - The vehicle must be capable of achieving a minimal risk condition in the event of a malfunction of the automated driving system.
- The bill will establish an Advisory Committee to study the operation of autonomous motor vehicles in Kansas and provide a report detailing findings within one year.
- The bill will require that violations of state and local traffic laws are enforceable as if the vehicle has a licensed human driver on board.
- In the event of a traffic citation, a law enforcement officer shall deliver the written traffic citation to the owner of the driverless-capable vehicle.
- The bill will require that a driverless-capable vehicle not operate in the state unless the required insurance coverage is in effect.
- The bill will require proper registration and titling for autonomous motor vehicles in accordance with state law as a condition of deployment.

Safety

- In 2020, more than 38,000 people died on U.S. roads in crashes, another year-after-year increase. The vast majority (94%) of motor vehicle crashes are caused by human error, including drunk, distracted and reckless driving.
- Nearly 14% of crashes involve a truck, and 1 in 3 truck drivers experience a serious crash in their career.
- Motor vehicle crashes are one of the leading causes of death for children and teens.

Safety is the Top Priority in Kansas

- Autonomous vehicles will be safer than other vehicles because:
 - They don't speed.
 - They don't get tired.
 - They don't get distracted.
 - They prioritize a defensive style of driving, meaning they are extremely aware of the potential for unpredictable movements of other road users, including vehicles, pedestrians and cyclists.

Autonomous vehicles are specifically designed to dramatically improve safety and address the completely unacceptable levels of injury and tragic loss of life caused by human error on public highways.

Maintaining US Leadership on Autonomous Vehicles

- American leadership on autonomous vehicles cannot be taken for granted as foreign competitors threaten our global competitiveness.
- Kansas has a critical role to play in ensuring that the US continues to lead the way in the autonomous vehicle industry, and is integral to securing the economic growth, job creation and many safety and societal benefits provided by autonomous vehicles.

Enhancing Kansas' Supply Chains

- Through productivity enhancements, increased vehicle uptime and significant cost savings, fully autonomous trucks will increase supply chain efficiency.
- Ensure driver shortages do not impact product flow in Kansas, so shelves are kept well-stocked.
- Ensure deliveries are made to Kansans with speed and efficiency, establishing a supply chain operating at peak efficiency.

What Kind of Local Jobs will be Created in Kansas?

- Safety Drivers and Remote Supervisors who ensure the safe operation of the fleet.
- Mechanics, Technicians and Fleet Managers who maintain the fleet.
- State, city and community engagement professionals who ensure ongoing direct engagement and involvement with state and local authorities in Kansas.