

Department of Transportation Report to Congress

Automated Vehicle Proving Grounds

Summary

This report responds to the request made in the House FY2018 Transportation, Housing and Urban Development, and Related Agencies (THUD) Appropriations Committee Report, H. Rept. 115-237, for the Secretary to “evaluate whether DOT should designate additional [automated vehicle (AV)] proving grounds among those that responded to and met the criteria listed in the Department’s December 19, 2016 solicitation of proposals for designation.” As set forth in further detail below, the Department of Transportation (the Department or DOT) has determined that any Federal funding opportunities or other Federal support or recognition authorized by Congress for AV-related test sites or demonstration projects should be made available on a competitive basis to potential recipients in all locations with active research and testing programs and should not be limited to the ten “proving ground pilot sites” previously identified by the Department on January 19, 2017.

Background

In November 2016, Secretary of Transportation Anthony Foxx announced plans to form a DOT-designated “network” of AV proving grounds “to develop and share best practices around the safe testing, demonstration and deployment of automated vehicle technology.” On November 22, 2016, the Secretary issued a notice of solicitation “requesting applications to be designated as USDOT Automated Vehicle Proving Grounds” and describing in general terms the purpose of the proposed designations and the selection criteria. DOT Office of the Secretary, *Solicitation of Proposals for Designation of Automated Vehicle Proving Grounds Pilot*, Dkt. No. DOT-OST-2016-0233 (Nov. 22, 2016), published at 81 Fed. Reg. 86,069 (Nov. 29, 2016). This program was not based on any authorizing legislation, and the solicitation notice made clear that the designations would not involve any award of Federal financial assistance. *Id.*, 81 Fed. Reg. at 86,070. Rather, the stated expectation was that the group of designated proving grounds would “collectively form a Community of Practice” that would “openly share best practices for the safe conduct of testing and operations as they are developed,” and with a specific commitment to share “safety data generated through testing and operation.” *Id.*

By the close of the solicitation period on December 19, 2016, the Department had received 64 applications from entities proposing to operate AV pilot sites. One month later, on January 19, 2017, Secretary Foxx announced his decision to designate ten of the applicants as “USDOT AV Proving Grounds.” The announcement provided no details explaining the ten designations, nor did it identify determining factors as to why the ten chosen were done so over the other highly

rated proving grounds. DOT Press Release, *U.S. Department of Transportation Designates 10 Automated Vehicle Proving Grounds to Encourage Testing of New Technologies* (Jan. 19, 2017).

Since January 19, 2017, none of the ten designated sites has executed the data-sharing agreement or any other agreement with the Department, and none has shared test data or best practices for testing with DOT. The Department has taken no actions to direct any Federal activities, benefits, or support to these ten locations, and the designations announced by Secretary Foxx have had no effect on DOT's decisions or policies addressing the development of automated vehicle technologies. The "Community of Practice" described in the November 2016 solicitation has not materialized, and there is no active DOT program centered on the designated AV "proving grounds."

Discussion

Although the January 19, 2017 announcement atrophied and became dormant, the subsequent time period demonstrated that there is no need for the Department to confer special benefits or support on test sites—or, indeed, for any significant level of Federal financial assistance—as a means to encourage the testing and development of AV technologies. The amount of investment in AV technologies occurring today is enormous and growing rapidly. Private companies are pouring tens of billions of dollars^{1 2} into AV technology investments, and many research universities, nonprofit organizations, and State and local governments are actively participating in AV testing programs. AV testing is happening today in many States and locations beyond the ten sites, including in Alabama, Arizona, Colorado, Illinois, Tennessee, Massachusetts, Montana, Nevada, South Carolina, Ohio, Oregon, Washington, and elsewhere. In short, market incentives and local interests are driving robust levels of R&D investment in AV without any intervention or stimulation from the Federal government. Consistent with this marketplace reality, the President's Budget proposed no special Federal funding for AV testing projects.

Accordingly, the Department no longer recognizes the designations announced on January 19, 2017 by Secretary Foxx. Some of the earlier designations are objectively well-suited testing locations, as are a number of locations that were not previously designated on January 19, 2017, so it is for the innovators in the marketplace to determine which locations they prefer. In addition, some of the chosen ten sites are conducting world-class automation research initiatives, while other chosen sites have initiatives still in their infancy. However, there are sites that were excluded that are also conducting world-class research. The Department cannot justify why some of these sites were chosen over others. The Federal government should refrain from limiting participation artificially and unnecessarily, but rather should accommodate the growing interest and effort put forth in many States to further AV research and testing activity. The Department suggests that significant demonstration sites, wherever they may be located, should work inclusively to develop consensus best practices for the testing and operations of AVs. If and as DOT is called upon by Congress to provide any Federal support for or recognition of AV research, pilot or demonstration projects, or other developmental activities, the Department intends to apply neutral criteria and to consider on a competitive basis all locations in all States where relevant research and testing activities are underway.

¹ See <https://www.brookings.edu/research/gauging-investment-in-self-driving-cars/>, see also <https://assets.kpmg.com/content/dam/kpmg/nl/pdf/2018/sector/automotive/autonomous-vehicles-readiness-index.pdf>, Page 6