

REPORT OF THE CHIEF LEGISLATIVE ANALYST

DATE: April 24, 2024

TO: Honorable Members of the City Council

FROM: Sharon M. Tso *KTK*
Chief Legislative Analyst

Council File No: 23-1177
Assignment No: 23-11-0579

SUBJECT: Autonomous Vehicle Regulations

SUMMARY

On November 8, 2023, the Council adopted Motion (Park – Blumenfield), as amended, that instructed this Office, with the assistance of various City Departments, to report on: existing state, federal, and local laws that govern the use of Autonomous Vehicles (AV); options for the City to gain access to testing data gathered by entities utilizing autonomous vehicles on the public right-of-way; and recommendations in seeking and/or sponsoring legislation that would authorize the City to regulate autonomous vehicles on local streets (C.F. 23-1177).

Our Office has reviewed the actions of the State of California and other states and cities and analyzed research papers regarding this subject. In addition, we have consulted with the Department of Transportation (LADOT), the Los Angeles Police Department (LAPD), Los Angeles Fire Department (LAFD), and City Attorney in the preparation of this report.

RECOMMENDATIONS

That the City Council:

1. Adopt the attached Resolutions to include in the City's 2023-24 State Legislative Program support for AB 1777 (Ting), AB 3061 (Haney), which would authorize the City to regulate Autonomous Vehicles (AV) on local streets and gain access to testing data to ensure public safety related to the implementation of AV services in the City.
2. Instruct the Los Angeles Department of Transportation (LADOT), with the assistance of the Los Angeles Fire Department (LAFD) and Los Angeles Police Department (LAPD), to monitor the progress of SB 915 (Cortese), AB 1777 (Ting), AB 3061 (Haney) and related bills regarding the testing and implementation of AV services in the City, and report to Council with any significant developments on these bills.
3. Instruct the LADOT, with the assistance of the LAFD and LAPD, to report to Council within six months with a status update and any necessary recommendations to address the implementation of AV services in the City of Los Angeles.

DISCUSSION

AV technology includes a combination of hardware and software, remote and/or on-board, that has the capability to drive a vehicle without active physical control or monitoring by a human operator. In addition to on-call transport of passengers (also known as robotaxi services), AVs can also be used for last-minute package delivery, medical supply transportation, and inspection of critical infrastructure during emergencies.

Several companies are engaged in the development, testing, and limited deployment of autonomous vehicles in California and in other states. This includes companies such as Waymo, which has been engaged in testing of these vehicles in the City of Los Angeles and in the San Francisco Bay Area.

The Center for Sustainable Systems, a research institution at the University of Michigan, reports that AVs have the potential to reduce vehicle crashes by 90 percent. Business organizations such as the US Chamber of Commerce, as well as advocates for disabled individuals such as the National Disability Institute and the Urban Institute, state that the deployment of AV could result in the following benefits:

- Enhanced safety due to the prevention of more than 1,442,000 crashes and 12,000 fatalities annually.
- Increased mobility access for individuals with disabilities, the elderly, and non-drivers.
- Increased economic benefits by reducing the shortage of drivers in critical sectors of the economy.
- Improve air quality and reduce carbon dioxide emissions up to 8.2%.
- Strengthened economic competitiveness with other nations who are also developing an AV industry.
- Provide more affordable transit options than transportation network companies, such as Uber and Lyft.

On March 17, 2022, the Pew Research Center reported that U.S. residents perceive both positive and negative benefits in the use of AV technology:

- 44% of U.S. adults said that the widespread use of AVs would be a bad idea for society, versus 26% who thought that it was a good idea and 29% who are unsure.
- 63% of U.S. adults said that they would not want to ride in a driverless passenger vehicle if they had the opportunity.
- 21% of US adults would be very comfortable sharing the road with driverless cars while 34% would be somewhat comfortable and 45% would not be comfortable at all.
- 72% believe that older adults and people with disabilities would be able to live more independently if AV transportation options were available, versus 28% who believe that this would not occur.
- 56% believe that getting from place to place would be less stressful, while 43% believe this would not occur.
- 83% were concerned that people who make their living by driving others or delivering items with passenger vehicles would lose their jobs.
- 76% were concerned that computer systems and driverless passenger vehicles would be easily hacked in ways that put safety at risk.

Federal Law

The National Traffic and Motor Vehicle Safety Act of 1966 authorizes the National Highway Traffic Safety Administration (NHTSA), which is part of the U.S. Department of Transportation, to implement programs to reduce injuries and deaths from traffic collisions. The law authorizes the NHTSA to investigate vehicle crashes, proactively address potential motor safety defects, and take action to ensure that vehicle manufacturers comply with Federal Motor Vehicle Safety Standards.

The NHTSA considers the technology that operates AVs to be motor vehicle equipment that is subject to the Safety Act's requirements. The agency also monitors safety of AV through a Standing General Order issued in 2021. The Standing General Order requires manufacturers and operators to report certain crashes involving vehicles equipped with Level 2 advanced driver assistance systems and to notify the NHTSA of any crashes involving vehicles that use this technology. Crashes must be reported immediately, and AV companies must submit crash data on a monthly basis. If a safety defect is found, unsafe vehicles are required to be removed from public roads.

California Regulatory Agencies

Currently, the State allows a limited number of AV companies to conduct testing, research, and pilot programs on public streets in designated locations under limited circumstances. This authority was granted in 2012 with the passage of SB 1298 (Padilla).

Department of Motor Vehicles (DMV) - SB 1298 authorized the Department of Motor Vehicles (DMV) to regulate the testing and deployment of autonomous vehicles on public roads. The DMV is required to consult with the California Highway Patrol, the National Highway Safety Administration, and other entities to develop regulations for the safe operation of AVs on public roads. The bill also required the DMV to develop regulations that could limit the number of autonomous vehicles on public roads, special registration rules, and rules for the revocation, suspension, or denial of any license or approval related to AVs. In 2013, the DMV began considering the implications of testing and deploying autonomous vehicles on California roads in 2013 and held a series of workshops and public hearings to hear from and educate the public. The DMV now issues permits to manufacturers that test and deploy autonomous vehicles on California public roads.

California Public Utilities Commission (CPUC) – The CPUC has jurisdiction over passenger safety and businesses that transport passengers, such as buses and trains. The CPUC also has jurisdiction over rideshare app companies, such as Uber and Lyft. On May 31, 2018, the CPUC authorized two AV pilot programs. The "Drivered AV Passenger Service" pilot program that allows for the provision of passenger service in test AVs with a driver. The second program, known as the "Driverless AV Passenger Service" program, allows driverless AV passenger service provided that a communication link is maintained between passengers and remote operators at all times. Under these programs, AV companies must obtain a permit from the DMV and comply with all DMV regulations.

Recent Developments

As reported by news outlets, Waymo has been testing its vehicles in Los Angeles County for more than a year. In early November 2023, Waymo began offering free rides in select Los Angeles neighborhoods. On January 19, 2024, Waymo announced that it had applied to the CPUC for authorization to expand its driverless service in Los Angeles. On February 21, 2024, news agencies reported that the CPUC halted Waymo's expansion of these services until June 19, 2024 pending further staff review. Subsequently, on March 1, 2024, the media reported that the CPUC approved the expansion of its driverless taxi service in Los Angeles County and San Mateo County in Northern California. The company will be allowed to operate fully autonomous vehicles and carry passengers as part of its testing and promotion.

While labor unions representing freight and delivery truck drivers expressed concern about approval of AV services in Los Angeles, United Way Bay Area, the California Chamber of Commerce, and the Southern California Resource Services for Independent Living submitted letters of support. CPUC approved the expansion despite the opposition of public agencies in several jurisdictions.

Waymo began offering paid rides in its AV fleet in the City of Los Angeles on April 10, 2024. According to the company, more than 50,000 people were on its waitlist to use the service. It has also been reported that Tesla plans to introduce an AV product in August 2024, while the company Cruise is expected to introduce human-driven vehicles in select cities (such as Phoenix) in order to re-enter the market for AV technology.

Local Law

As noted above, California Vehicle Code sections 38750 et seq., places the regulation of autonomous vehicles under the jurisdiction of the Department of Motor Vehicles (DMV) and not under local agencies. As a result, the City is not currently authorized to adopt regulations to regulate AVs unless State law is changed to allow the City to enact legislation in this area.

Feedback from City Departments

Our Office has consulted with the LADOT, LAPD, and LAFD to discuss the current status of AV vehicles operating on City streets. Collectively, the Departments have shared the following observations and concerns about the deployment of AVs:

- Observations of AVs ignoring yellow emergency tape and warning signs.
- Observations of AVs blocking firehouse driveways.
- Observations of AVs sitting motionless on one-way streets.
- Observations of AVs entering active emergency scenes and stopping.
- Observations of AVs failing to obey directions given by LADOT Traffic Officers.
- Concerns that AVs are vulnerable to cyberattacks.
- Concerns that AVs could be used during the commission of a crime.
- Concerns that the public safety implications of AVs are greater in Los Angeles than in smaller cities as a result of dense traffic patterns on City streets.
- Concerns that current State law does not clearly state that AV companies can be cited or ticketed for moving violations.
- Concerns that AV services will not serve all Council Districts in an equitable manner.
- Concerns that the City is not able to regulate AVs on City streets.
- Concerns that AV companies are not required to coordinate and consult with local governments during the implementation of AV services.

Current Legislation to Regulate AVs on local Streets

The Legislature is currently considering several bills that would allow the City to access mobility data and to regulate AVs on local streets.

SB 915 (Cortese) – The bill would allow local governments to set fares on robotaxis, set limits on the number of autonomous vehicles on the road, and demarcate potential areas of special or restricted operations to manage traffic and reduce injuries. On February 2, 2024, Resolution (Hernandez, Hutt, et al – Krekorian) was introduced to support SB 915 (Cortese) (C.F. 23-0002-S99). The Resolution is currently pending in the Rules, Elections and Government Relations Committee for consideration.

AB 1777 (Ting) – The bill would require manufacturers of AVs to maintain a dedicated emergency response telephone line that is available for emergency responders during all hours when an AV is on a public road. The bill would also require that remote human operators have the ability to deactivate the AV, and that first responders be allowed to move the AV in emergency situations.

AB 3061 (Haney) – The bill would increase reporting requirements for AV manufacturers and require them to immediately report all vehicle collisions, violations, or assaults on any passenger or safety drivers to the DMV. In addition, the bill would require the DMV to create and publish an AV incident form by July 1, 2025 and to post such a form on the DMV website, as well as impose fines for violations of the reporting requirement and to suspend or revoke the testing and deployment permit of any manufacture while an investigation is pending.

Conclusion

There are over 40 autonomous car companies across the world vying for a space in the industry and it is anticipated that the global driverless car market will experience strong growth in the next few years. Each year, more self-driving features are being incrementally added to vehicles for autonomous control. Since the City is expressly prohibited from regulating AV operations, new legislation would be necessary to allow Los Angeles to develop policies related to the deployment and operations of these vehicles. It is also important that affected City agencies monitor and report on the effect of AVs on urban mobility and transportation policy.



Brian Randol
Analyst

Attachments: A. Council File No. 23-1177, November 8, 2023 Council Action
 B. Resolution relative to AB 1777 (Ting)
 C. Resolution relative to AB 3061 (Haney)

SMT:bmr

HOLLY L. WOLCOTT
CITY CLERK

PETTY F. SANTOS
EXECUTIVE OFFICER

City of Los Angeles
CALIFORNIA



KAREN BASS
MAYOR

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PATRICE Y. LATTIMORE
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ATTACHMENT A

OFFICIAL ACTION OF THE LOS ANGELES CITY COUNCIL

Council File No.: 23-1177
Council Meeting Date: November 8, 2023
Agenda Item No.: 25
Agenda Description: TRANSPORTATION COMMITTEE REPORT relative to state, federal, and local laws or regulations governing the use of autonomous vehicles.
Council Action: TRANSPORTATION COMMITTEE REPORT - ADOPTED FORTHWITH

Council Vote:

ABSENT	Blumenfield	YES	de León	YES	Harris-Dawson
YES	Hernandez	YES	Hutt	YES	Krekorian
YES	Lee	YES	McOsker	YES	Padilla
YES	Park	YES	Price Jr.	YES	Raman
YES	Rodriguez	YES	Soto-Martínez	YES	Yaroslavsky

A handwritten signature in black ink, appearing to read "Holly L. Wolcott".

HOLLY L. WOLCOTT
CITY CLERK

Adopted Report(s) Title
Transportation Committee Report 11-1-23

TRANSPORTATION COMMITTEE REPORT relative to state, federal, and local laws or regulations governing the use of autonomous vehicles.

Recommendations for Council action, as initiated by Motion (Park – Blumenfield):

1. **INSTRUCT** the Chief Legislative Analyst (CLA), with the assistance of the Los Angeles Department of Transportation, Los Angeles Fire Department, Los Angeles Police Department, and other entities as needed, to report within 60 days on:
 - a. Existing state, federal, and local laws or regulations that govern the use of autonomous vehicles.
 - b. Options for the City to gain access to testing data gathered by entities utilizing autonomous vehicles on the public right-of-way, especially related to any safety implications of their operations on City streets.
 - c. Recommendations in seeking and/or sponsoring legislation that would authorize the City to regulate autonomous vehicles on local streets.
2. **REQUEST** the Los Angeles World Airports to report on its rules, regulations, and policies for determining access to the Central Terminal Area and how they apply to autonomous vehicles.

Fiscal Impact Statement: Neither the City Administrative nor the CLA has completed a financial analysis of this report.

Community Impact Statement: None submitted.

Summary:

On November 1, 2023, your Committee considered a Motion (Park – Blumenfield) relative to state, federal, and local laws or regulations governing the use of autonomous vehicles. According to the Motion, the emergence of automotive technology, particularly automated driving systems, is disrupting the urban transportation landscape. The advancement of autonomous vehicles (self-driving or driverless cars) will likely bring significant changes for the future of the transit industry.

Earlier this month, Waymo, a driverless car company, launched its 24/7 robotaxi service to the public in Santa Monica. In November, the company plans to roll out service in Century City, West Hollywood, Mid-City, Koreatown, and downtown Los Angeles. Waymo already offers fully driverless rides to the public in San Francisco and Phoenix. Historically, regulatory efforts have struggled to keep pace with technological innovations in this field, leaving cities to respond to new uses of the public right-of-way, as well as public safety and local authority issues. In San Francisco, these challenges include autonomous vehicles disrupting emergency response times by the City's police and fire

departments, in addition to obstructing public works projects. As the technology for autonomous vehicles continues to develop, the City will need to address the potential impacts of these vehicles on the road. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the Motion, as amended. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Transportation Committee

COUNCILMEMBER VOTE

HUTT:	YES
PARK:	YES
HERNANDEZ:	YES
RAMAN:	ABSENT
YAROSLAVSKY:	YES

ARL
11/1/23

-NOT OFFICIAL UNTIL COUNCIL ACTS-

RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state or federal governmental body or agency must first have been adopted in the form of a Resolution by the City Council; and

WHEREAS, several companies are currently engaged in testing of Autonomous Vehicles (AV) in Los Angeles as well as the San Francisco Bay Area; and

WHEREAS, public officials and local transit agencies, including in the City of Los Angeles, have expressed safety concerns regarding the testing and deployment of these vehicles on local streets; and

WHEREAS, These vehicles have been observed blocking firehouse exits, entering active emergency scenes, and ignoring the directions of LADOT Traffic Officers; and

WHEREAS, there is a need for local regulation to ensure that this technology does not pose a safety danger to the public and that the jobs of workers in the transportation sector of the economy are protected; and

WHEREAS, currently pending before the legislature is AB 1777 (Ting) which would require AV manufacturers to maintain a dedicated emergency response telephone line that is available for emergency response officials during all hours when an AV is on a public road at no cost to public agencies; in addition, the legislation would require that the remote human operator to deactivate the AV, allow an emergency response official to move the AV, or move the AV as directed by an emergency response official; and

WHEREAS, the legislation would require AV manufacturers to install a two-way voice communication device that enables emergency response officials that are near the vehicle to communicate effectively with a remote human operator who has situational awareness about the autonomous vehicle; and

WHEREAS, the proposed legislation would help ensure public safety by ensuring that emergency responders have the necessary tools to address emergency situations involving these vehicles;

NOW, THEREFORE, BE IT RESOLVED, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2023-24 State Legislative Program SUPPORT for AB 1777 (Ting) which would require AV manufacturers to maintain a dedicated emergency response telephone line that is available for emergency response officials during all hours when an AV is on a public road, among other provisions to ensure public safety.

PRESENTED BY: _____

SECONDED BY: _____

R E S O L U T I O N

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state or federal governmental body or agency must first have been adopted in the form of a Resolution by the City Council; and

WHEREAS, several companies are currently engaged in testing of Autonomous Vehicles (AV) in Los Angeles as well as the San Francisco Bay Area; and

WHEREAS, public officials and local transit agencies, including in the City of Los Angeles, have expressed safety concerns regarding the testing and deployment of these vehicles on local streets; and

WHEREAS, These vehicles have been observed blocking firehouse exits, entering active emergency scenes, and ignoring the directions of LADOT Traffic Officers; and

WHEREAS, there is a need for local regulation to ensure that this technology does not pose a safety danger to the public; and

WHEREAS, the Legislature is also considering AB 3061 (Haney) which would increase reporting requirements for AV manufacturers; and

WHEREAS, the bill would require AV manufacturers to immediately report all vehicle collisions, violations, or assaults on any passenger or safety drivers to the DMV; and

WHEREAS, the bill would require the DMV to create and publish an AV incident form by July 1, 2025 and to post such a form on the DMV website and would allow the public to submit an AV incident report; and

WHEREAS, the legislation would also allow the DMV to impose fines for violations of the reporting requirement and to suspend or revoke the testing and deployment permit of any manufacture while an investigation is pending; and

WHEREAS, the bill would help ensure that AVs are implemented in a way that ensures public safety and should be supported;

NOW, THEREFORE, BE IT RESOLVED, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2023-24 State Legislative Program SUPPORT for AB 3061 (Haney) which would require autonomous vehicle companies to immediately report all collisions, traffic violations, and assault or harassment of any passenger to the Department of Motor Vehicles regardless of whether the vehicle is in the testing or deployment phase.

PRESENTED BY: _____

SECONDED BY: _____