

# Federal rules redefining vehicle standards pave the road for AVs

## Article

**The news:** The **National Highway Traffic and Safety Administration (NHTSA)** issued an unprecedented rules change regarding requirements for AVs with passengers, [per](#) TechCrunch.

- A new rule eliminates the need for manufacturers to include manual controls in **automated driving systems (ADS)**-equipped vehicles that will be solely computer-operated.

- Rules for AVs designed for ridesharing will drop irrelevant terminology like “**driver’s seat**,” “**steering wheel**,” and “**passenger seat**.”
- AVs like Waymo’s **robotaxi** that can be operated either autonomously or by a human still need manual controls.
- NHTSA estimates that not requiring manual controls will save manufacturers about **\$995** per vehicle, **per** the amendment.

**How we got here:** AVs have been driving on public roadways to some degree for years now, but federal regulations have been slow to catch up with the trend—prompting industry leaders, unions, and highway safety advocates to **lobby** for government intervention.

- Last year, the NHTSA required that manufacturers and operators report AV crashes to the agency and in 2020 made AV testing information publicly available.
- Safety has become a focal point for the AV industry following **reports** of significant performance issues in vehicles like **Teslas** and Waymos.
- **Pony.ai** had to **recall** three of its AVs last week due to potential software defects that resulted in crashes.

But AV transparency isn’t perfect: Last month, a California court permitted Waymo to **withhold** some of its AV safety-related data—a red flag for consumers.

**No one in the driver’s seat:** Onerous regulations that stifle innovation before AV technology gets out of the ideation stage isn’t the answer to improving transportation systems. There’s a good chance that once the technology is fine-tuned, computers may make better drivers than humans.

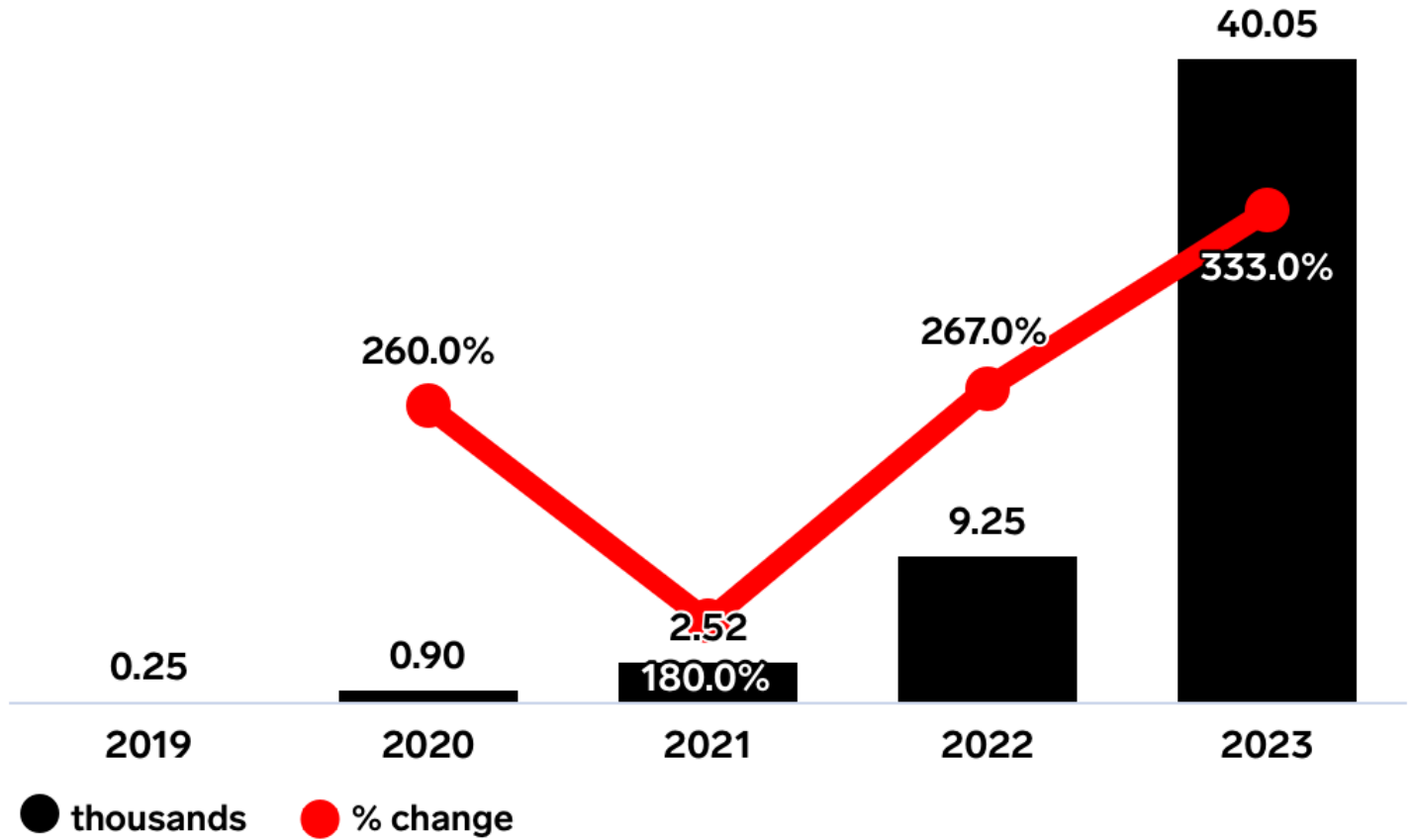
But the reality that driverless cars aren’t ready for the prime-time of often chaotic streets means that governments need two hands on the wheel while companies spend more time on R&D.

- Software glitches will likely be the Achilles’ heel of AVs, and without pedals and steering wheels as backup mechanisms, towing may soon be a booming industry.
- **Reports** of accidents involving AVs indicate that the tech’s current limitations will cost lives and property, and regulations need to address who’ll be liable.
- Considering a handful of AV companies **raised more than \$12 billion** in 2021, **per** CBI Insights, there should be ample budgetary bandwidth to accommodate any mandatory safety testing

the NHTSA could implement.

## Autonomous Ride-Sharing Vehicle Units

US, 2019-2023



Source: eMarketer, July 2021

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