STATEMENT

OF THE

ALLIANCE FOR AUTOMOTIVE INNOVATION

BEFORE THE: COMMITTEE ON THE JUDICIARY U.S. SENATE

HEARING TITLE:

"Federal Support for Preventing and Responding to Carjackings"

March 1, 2022

PRESENTED BY:

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President and CEO



Chairman Durbin, Ranking Member Grassley and distinguished members of the Committee: on behalf of the Alliance for Automotive Innovation (Auto Innovators) and our members, I thank you for the opportunity to appear today to share my perspective on the troubling rise in carjackings and the auto industry's work to be a constructive voice in the broader efforts to address this challenge.

The Alliance for Automotive Innovation was formed in January 2020 to serve as the singular, authoritative, and respected voice of the automotive industry in the United States. Our 38 members include auto manufacturers producing nearly 98 percent of the cars and light trucks sold in the U.S., along with original equipment suppliers, technology companies, and other automotive-related value chain partners. In total, our industry employs roughly 10 million Americans, in addition to those who are employed in the technology and mobility sectors directly¹. We account for nearly 5.5 percent of our country's gross domestic product and represent our country's largest manufacturing sector.²

The automotive industry is at the leading edge of an unprecedented transformation in personal mobility. Substantial, long-term investments in innovative technologies – including electrification,³ automation, and connectivity - are already driving us towards a cleaner, safer, and smarter transportation future. These technologies are positioning the automotive industry in the U.S. to produce real benefits for consumers, the economy, the environment, and society overall for decades to come.

However, these automotive innovations do not occur in a vacuum; nor do their benefits stand on their own. Their benefits are realized in how they help to improve roadway safety, reduce serious injuries and deaths, protect vulnerable road users, improve the environment, and support the way Americans live today and in the future. To that end, the industry views its shared responsibility for national roadway safety as paramount and remains committed to working with policymakers and other stakeholders on a proactive, comprehensive, and holistic approach to addressing safety issues in the U.S. transportation system and protecting system users.

This is as important now as ever. Despite vehicles incorporating increasingly advanced safety features every year, over the past two years we have witnessed a number of new and troubling trends on America's roadways. For the first time in years, roadway fatalities have increased dramatically, beginning in 2020. According to the latest data, the first nine months of 2021 saw a 12% increase compared to the same period in 2020. While the latest statistics do not detail the breakdown of contributing factors, it is likely they are similar to those that contributed to the increase in the fatality rate in 2020, namely excessive speed, alcohol/drugs, and reduced use of seat belts. These increases are disappointing, and we look forward to continued engagement with the administration in order to pursue a Safe Systems approach to improving safety on our

¹ Auto Alliance multi-industry contribution analysis: the economic impact of automotive manufacturing, selling, repairing, renting, and additional maintenance modeled using IMPLAN economic analysis data software, 2017 data year.

² Id; Bureau of Economic Analysis, Gross Output by Industry, https://apps.bea.gov/iTable/iTable.cfm?ReqID=51&step=1, Last accessed June 1, 2020; Bureau of Labor Statistics, Employment and Output by Industry, https://www.bls.gov/emp/tables/industry-employment-and-output.htm, Accessed June 1, 2020

³ For the purposes of this document, the term electrification includes all zero emission or electric vehicles ("ZEVs" or "EVs"), including plug-in and plug-in hybrid EVs as well as fuel cell technologies.

⁴ https://crashstats.nhtsa.dot.gov/Api/Public/ViewPublication/813240

roadways. This model – which acknowledges a shared responsibility and promotes a holistic approach to safety – may offer a guide for examining other complex challenges.

Another disturbing trend over the past two years has been the increase in carjacking across the United States. While we all saw the growing prevalence of carjacking stories in the news, I came to appreciate the full scope of this challenge following outreach to our members from Sheriff Dart of Cook County, Illinois to request their assistance addressing the rise in carjackings, including tracking vehicles in real time.

When we heard of Sheriff Dart's engagement, on behalf of industry, we quickly began a dialogue to better understand the concerns and challenges law enforcement is facing in Cook County. We brought together our entire membership to take a deeper look at potential opportunities to improve our collaboration with law enforcement. Over the past two months, Auto Innovators members have been meeting almost weekly to examine this important and complex issue.

I want to take a moment to share my appreciation for the efforts of Sheriff Dart and his staff, along with you and your team, Mr. Chairman, and others to elevate the conversation on this important topic.

Clearly, the sharing of location information – with anyone, including law enforcement – needs to be appropriately balanced against a company's obligations to protect the privacy of its customers. The auto industry respects the importance of protecting consumer data and in 2014, came together to commit to a first-of-its-kind set of Privacy Principles. Those Principles, which are currently in effect and enforceable by the Federal Trade Commission, prohibit an automaker from sharing vehicle location information with any unaffiliated third party without the affirmative consent of the vehicle owner. The Principles specifically permit the sharing of vehicle location information with law enforcement in the absence of affirmative consent if law enforcement has obtained a warrant or other court order to access that location information or in exigent circumstances.

This is a complex issue, one we take seriously. We remain committed to developing constructive recommendations in support of continued collaboration with law enforcement and policymakers on carjackings. While the discussions with our members are ongoing, I can share a number of guiding principles we believe should be considered by all stakeholders as we work together on this important and complex topic:

1. Variation in Capabilities – One thing we quickly learned as we explored this issue with our members is the significant variation in telematics capability among automakers. While we are not privy to each OEM's specific capabilities, we got a clear understanding that there is substantial variation between OEMs, as well as variation in capability within some automakers. For example, capabilities can vary within an automaker's lineup by make, model year, and trim level.

So, while it is true that many modern vehicles have connectivity capability that *may* allow them to be located, it is not *universally* the case. Further, among those with the

ability to be located, those capabilities may also vary. For example, some automakers may be able to do this in-house, while others may rely on a third-party service provider. In some circumstances, the technical capability that allows a vehicle to be located remotely is only active and accessible if the consumer has opted into location-based services. Even if a vehicle has the capability to be located remotely, the accuracy of vehicle location services can be compromised by a number of factors ranging from network coverage or signal strength to – in extreme cases – potentially being disabled by savvy criminals.

2. Law Enforcement Verification - Another topic that emerged in our conversations with our members is the importance of verifying that a request for vehicle location information from law enforcement is, in fact, a legitimate request related to an active carjacking. While we hope these circumstances are rare, we must be conscious that bad actors may attempt to pose as law enforcement or that law enforcement personnel could use information for inappropriate or personal reasons (e.g., tracking a domestic partner).

Therefore, we feel strongly that any mechanism or procedure that is established by law or regulation on which automakers can rely to allow law enforcement access to real-time vehicle location information must include a process to confirm and/or verify to the automaker that the person seeking the location information is in fact a law enforcement officer who is making the request in an official capacity as part of a documented crime or incident.

- 3. Exigent Circumstances Determination In addition to verifying the legitimate request from law enforcement, appropriate consideration must also be afforded to the question of defining an exigent circumstance in the context of a carjacking. Is it any case where a vehicle is stolen by force? Does it only apply in a circumstance where the theft places the owner or a passenger in imminent danger? At a minimum, any mechanism or procedure that is established to allow law enforcement access to real-time vehicle location information must also include a process to determine and/or certify to the automaker that there are exigent circumstances, constitutionally, and as appropriately defined within the law or regulation, which make it impossible or impractical for law enforcement to obtain either: (a) the consent of the vehicle owner; or (b) a warrant or other court order.
- 4. Exposure to Liability Finally, as I am sure members of this Committee can appreciate, the sharing of real-time location information with law enforcement is a sensitive topic and may expose an automaker to liability under another state's privacy or other law or, potentially, to federal enforcement. Further, automakers may have contractual limitations within their customer agreements on when location may be provided to third parties, including law enforcement. Therefore, this is a consideration that must be taken to account when evaluating different policy or technical solutions to this challenge.

As I've said previously, this is a complex issue but that does not make it any less important. The auto industry is committed to remaining a constructive partner in the collective effort needed to address this challenge. Much like our work with DOT on the Safe Systems approach to roadway

safety, we look forward to continuing our work examining ways in which we can support a similarly holistic approach to addressing this challenge. I want to recognize the Chairman, Ranking Member and members of this committee for continuing that important conversation.

I look forward to working with each of you, your colleagues in both chambers, the administration and all stakeholders to be a constructive partner on the path to a safer future on America's roadways.