



PENNSYLVANIA CONFERENCE OF TEAMSTERS

AFFILIATED WITH THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS
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William Hamilton, President

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Senators Dillon, Kane, Haywood, Muth, and members of the Democratic Policy Committee, thank you for the opportunity to testify today on “A.I. and Its Impact on the Commonwealth”. The International Brotherhood of Teamsters represents 1.3 million hardworking people in the United States, Canada, and Puerto Rico – many of whom start their workday behind a steering wheel. Here in the Commonwealth, we are proud to represent 95,000 of these members and their families.

At the outset, the Teamsters appreciate your consideration of autonomous vehicles (AVs) within the scope of a hearing on A.I. We believe strongly that policy conversations around A.I. must include autonomous vehicles, which by manufacturer’s own description rely on A.I. technology. Efforts to exclude AVs from the A.I. conversation are little more than an effort to deliberately skirt difficult questions raised by the testing and deployment of autonomous vehicles, and we thank the Senators for not making this incorrect distinction.

To fully understand the scope of potential impacts to the Commonwealth, it is important to first understand the scope of the current testing and deployment environment. According to the Pennsylvania DOT, Pennsylvania has authorized nine AV operators to perform some level of AV testing in designated zip codes or counties. Across the nation, there are dozens more entities performing some level AV operations. While this includes automated long-haul trucking and robotaxis, which make up much of the reporting on AVs, developers and OEMs are pursuing automation at every avenue. This also includes vehicles in local delivery, specialized construction vehicles, transit vehicles and more. In almost any circumstance in which a vehicle is being driven by a human operator, there is a developer seeking to automate that driving function.

The two most salient impacts of automated vehicles to the Commonwealth are economic; to the state, individual drivers, and safety. As mentioned, the Teamsters represent thousands of employees in Pennsylvania who drive for a living, but automation could also have impact on workers whose job duties have a direct nexus to a vehicle – including mechanics, loaders, sorters, dispatchers and others.

It is evident that widescale deployment of AV technology is not on the immediate horizon, both due to the state of technology and that the totality of purchases of autonomous vehicles that would have to take place before a meaningful dent was made in the number of vehicles on the road is enormous. Further, we should bear in mind that any future deployment of

autonomous vehicles will take on different characteristics in different subsectors in response to varied business cases. The application of autonomous trucks for long haul Truckload operations on the interstate system, (carrying the goods for and from a single customer) is likely to look substantially different from what deployment might look like for Less than Truckload carriers hauling goods from multiple customers in more localized delivery. Both of those use cases are likely to differ substantially from the adoption of automated passenger carrying commercial vehicles like motorcoaches and transit buses.

However, it is incumbent on legislators to understand that while we do not expect to see mass job loss and displacement as soon as the first driverless trucks or cabs in revenue service hit Pennsylvania roads, this is the ultimate vision of AV developers and many perspective users, who eagerly look forward to a day when labor costs can be wiped off their books. Recently, the trucking industry has argued that claims of future job losses are ill-founded, and that they anticipate no such impacts. In industry's telling, automated trucks will simply serve to fill capacity needs above what the human workforce is able to provide. Put another way, the application of driverless vehicles is only to cover purported workforce shortages, and human drivers should anticipate working alongside automated vehicles in perpetuity.

This claim is laughable on its face. If presented with the opportunity to automate labor, industry will do so to the maximal level permitted by their finances, operations, and state and federal law and regulation. For commercial trucking, we also note that some analysts have promoted a model that predicts automation of long-haul trucking working in conjunction with human operated short-haul, or local delivery drivers. In this scenario, automated long-haul trucks would unload at a transfer hub, with last mile delivery done by human drivers. In a national analysis, even this optimistic outlook would result in the loss of over 500,000 jobs.¹ Further, existing companies, including Gatik, are already seeking to automate short-haul deliveries. According to Gatik, it has already performed half a million automated deliveries, with a driver on board, in Arkansas and Texas for clients like Walmart and Kroeger. Again, while we do not expect mass automation to happen instantaneously, or even in the near future, we must be clear eyed that the intent of this technology is to eliminate drivers.

The economic impacts are likely to be felt by displaced drivers as well as the Commonwealth itself. For Teamsters members in multiple driving occupations, these jobs offer good wages and working conditions safeguarded by their union, and a path to a dignified retirement. Non-union drivers unfortunately do not have these same benefits, perhaps making them even more vulnerable to the implementation of AVs. According to the most recent Bureau of Labor Statistics data, 584,050 residents of the Commonwealth are employed in the Transportation and Material Moving Occupations specialty, making it the second largest occupational class in Pennsylvania, employing over 10% of the workforce.² Legislators should also consider impacts to workers who may not be directly involved in the transportation of passengers or goods, but whose occupations depend on it, like those employed at rest stops. Even if AV deployment is not rapid, it is easy to imagine how even smaller or more graduation

¹ Mohan, A., Vaishnav, P. Impact of automation on long haul trucking operator-hours in the United States. *Humanit Soc Sci Commun* 9, 82 (2022). <https://doi.org/10.1057/s41599-022-01103-w>

² https://www.bls.gov/oes/current/oes_pa.htm#00-0000

reductions in the workforce could impact Pennsylvania families, and their ability to secure a good quality of life.

The Commonwealth should also consider the impacts of AVs on its programs and revenue streams. If automated vehicles result in the displacement of drivers, this may result in strain to the Pennsylvania Unemployment Compensation (UC) program or existing workforce programs like PA CareerLink. Additionally, automated vehicles do not pay employment, income or occupational taxes – if jobs are lost, or replaced by lower wage careers, this would result in a reduction in revenues. Further, the frequent combination of automated and electric vehicle technologies means that many of these vehicles will not be paying Pennsylvania or the federal government's gas taxes, eroding an additional source of funding for essential infrastructure and safety projects. In totality, under current law, a driverless and electric vehicle represents an operation that is substantially less lucrative to the state than traditional human operated vehicle driving.

Critical to an analysis of impacts of automated vehicles are safety considerations for drivers, pedestrians, and infrastructure. First, we should consider the state of federal oversight and correct widespread misunderstandings of the role that both the U.S. Congress and federal regulators have taken to date. In speaking with our members, elected officials, and the general public, we find that many hold the basic assumption that the federal government, at least to some degree, is regulating AVs. As a result, state legislatures may not have to grapple with some of the bigger questions around testing and deployment.

Unfortunately, this is not the case. As it stands today, the federal government exercises next to zero oversight over AVs, their impact on their workforce, or safety. Today, if someone wants to put an automated 80,000-pound automated truck on the road, the only unique federal requirement that operator is bound by is an obligation to report any crashes to the National Highway Traffic Safety Administration (NHTSA), via Standing General Order 2021-01.³ There are no federal standards for AV technology, no testing requirements, and no certification before these companies can operate. From a federal perspective, if a truck has all the traditional equipment on board (steering wheel, pedals, etc., even if no one is using them), it complies with the regulations that apply to normal vehicles and operations, and reports its crashes, that is the end of its obligations.

When Pennsylvania considers what it wants to allow on its roads and how those vehicles can operate, it must do so knowing that thus far the federal government has failed the States and have left you on your own to develop AV policy and ensure the safety of the Commonwealth's populace. To further complicate the pursuit of safety, authority is largely divided between state and federal governments. Traditionally, NHTSA would be expected to regulate motor vehicles and motor vehicle equipment, including hardware and software, and set attendant safety standards. The Federal Motor Carrier Safety Administration regulates issues including operating authority for commercial motor vehicles and on-road safety metrics. States have clear authority to regulate issuance of permits (including for testing) and certain operational, reporting, and

³ https://www.nhtsa.gov/sites/nhtsa.gov/files/2023-04/Second-Amended-SGO-2021-01_2023-04-05_2.pdf

liability requirements as well as vehicle registration and traffic laws. As you know, Pennsylvania exercised some of these authorities last year via the passage of HB2398.

However, the absence of federal regulations places states in a precarious position. As discussed, there are no federal safety standards concerning the actual performance of AV equipment. The Commonwealth or other states could attempt to develop these standards on their own but would almost assuredly ultimately be preempted by the federal government. In an environment where the federal government is not setting standards, and state legislators and regulators are largely hamstrung from doing so, our roads and interstates become an unwitting and unregulated testing ground.

To this end, the Teamsters recently published our Autonomous Vehicle Federal Policy Principles” framework, a first of its kind document that outlines key actions the federal government must take regarding the testing and deployment of autonomous vehicles. While a number of these proposals are specific to the federal government, several of them can also be enacted at the state level, including requirements for a human operator, meaningful data reporting requirements with commensurate ability to revoke granted authorities for testing and deployment as needed, and consideration for any workers who are displaced by AV technology. We are more than willing to have discussions with any Senator who is interested in crafting Pennsylvania-tailored proposals predicated on the Principles document.

The Teamsters also caution Senators of the risks of placing undue deference and trust in the hands of AV companies. As you are likely aware, California has been a major hub of AV testing, particularly the testing of robotaxis by companies like Cruise and Waymo. Cruise has been operating driver-out robotaxi service in San Francisco for several months, culminating in approval to run 24/7 service across all of San Francisco this past April. However, continued highly public and dangerous events including collisions, blocking of first responders and sanitation vehicles, incursions into construction sites and others have quickly changed the landscape – with the company first being forced to reduce its fleet size in the wake of these incidents, followed by a total suspension of its license to operate autonomously, and ending in Cruise ceasing all autonomous operations nationwide last month in order to “rebuild public trust”.

This fall from grace has included an incident in which a Cruise vehicle hit a pedestrian and then dragged her an additional 20 feet, and when questioned about the incident Cruise provided the California DMV with doctored camera footage.⁴ Just this week, The Intercept reported that Cruise management was aware that their vehicles were struggling to detect children, including the results of a test drive in which “a Cruise vehicle successfully detected a toddler-sized dummy but still struck it with its side mirror at 28 miles per hour”, and decided to keep their vehicles on the road, in keeping with the famous tech screed of “fail hard and fail fast”.⁵

⁴ <https://www.thedrive.com/news/california-suspends-cruise-robotaxi-operations-over-risk-to-public-safety>

⁵ <https://theintercept.com/2023/11/06/cruise-self-driving-cars-children/>

The Cruise example is not to suggest that autonomous vehicles should be banned outright, but instead that relying on AV companies to self-regulate and to assume good-faith operations will place drivers and pedestrians of the Commonwealth in danger. While we appreciate that most of the Democratic caucus took steps to try and favorably amend HB2398 in 2022, the Teamsters are deeply concerned that the bill, as signed into law, provides extraordinary deference to developers and operators. Under current law, little more is needed from AV operators aside from a self-certification of compliance ⁶, while, at the same time, the PA Public Utilities Commission is prohibited from conditioning any authorization, license or approval on requiring a human driver or other requirements specific to AVs. By prohibiting setting any standards which are dissimilar from traditional vehicles, including rules related to a highly automated vehicle's automated driving system, the legislation falls short of the Teamsters expectation of responsible public policy.⁷

In Pennsylvania and elsewhere, the Teamsters continue to loudly call for meaningful safety standards and accountability to ensure that these vehicles are not unduly placing pedestrians and other drivers at risk. Simply put, a failure to do so invites needless tragedy.

The International Brotherhood of Teamsters thanks the Committee for the opportunity to testify today on the impacts of AI, and specifically autonomous vehicles. We look forward to continuing to work with you on these critical issues going forward.

Sincerely,

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On behalf of the Pennsylvania Conference of Teamsters and President William Hamilton

⁶ 75 Pa. C.S. § 8506

⁷ 75 Pa. C.S. § 8507