## rump Team Is Seeking to Ease US Rules for Self-Driving Cars

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Members of President-elect Donald Trump's transition team have told advisers they plan to make a federal framework for self-driving vehicles one of the Transportation Department's priorities, according to people familiar with the matter.

If new rules enable wider deployment of cars without human controls, it will directly benefit Elon Musk, the Tesla Inc. chief executive officer and Trump mega-donor who's become a powerful fixture in the president-elect's inner circle. He's bet the future of the EV maker on self-driving technology and artificial intelligence.

Tesla's stock rose more than 7% shortly after the market open Monday, extending their 28% advance since election day. Shares of Uber Technologies Inc. and Lyft Inc., which could face competition from Musk's long-planned robotaxi network, each fell more than 6% in intraday trading.

Current federal rules pose significant roadblocks for companies looking to launch vehicles without steering wheels or pedals in large quantities, which Tesla intends to do.

The Trump team is looking to staff the department with leaders who will develop a framework for regulating self-driving vehicles, according to people familiar with the matter, who asked not to be named because they weren't authorized to speak publicly. The work is at an early stage and policy details have yet to be fleshed out.

The National Highway Traffic Safety Administration currently permits manufacturers to deploy 2,500 self-driving vehicles per year under a granted exemption. It also has a number of ongoing safety investigations into both autonomous vehicles and driver-assistance systems, including features Tesla markets as Autopilot and Full Self-Driving.

While the Transportation Department can set narrow rules through NHTSA that would help clear a path for autonomous vehicles, mass adoption of self-driving cars likely will require a broader act of Congress. A bipartisan legislative measure that's at the early-discussion stage would create federal rules around AVs, two of the people said.

"The companies want clarity on vehicles with no pedals and no steering wheel," said Grayson Brulte, founder of The Road to Autonomy, a data and analysis firm focused self-driving technology. "There could be a fight over this, but if a federal framework is implemented, it could usher in the autonomy economy."

One candidate for Transportation Secretary is Emil Michael, a former Uber executive who has spoken with Trump's team and potential staffers, according to people familiar with the discussions. Republican Representatives Sam Graves of Missouri and Garret Graves of Louisiana have also been considered to lead the department, the people said.

The transition team didn't respond to requests for comment.

## Waymo, Cruise

Tesla is trying to catch up to companies led by Alphabet Inc.'s Waymo that, unlike Musk's automaker, have already been ferrying riders around in vehicles without anyone behind the wheel.

Waymo and General Motors Co.'s Cruise have to this point largely only deployed autonomous cars that still have steering wheels and pedals, despite their ability to operate without a human in the driver's seat. This is due to state and federal safety requirements, many of which were written long before the advent of automated-driving systems.

While companies can apply for an exemption from those standards to deploy a limited number of vehicles without certain controls, Cruise's petition for one wasn't acted upon for more than two years. In July, GM announced it was abandoning plans for a dedicated autonomous vehicle called the Origin.

Autonomous vehicles also have deployed slowly because of safety issues. Cruise pulled its cars off the road for almost a year after one of its vehicles struck and dragged a pedestrian in San Francisco. NHTSA also has launched defect investigations into Waymo and Amazon.com Inc.'s Zoox unit, as well as Tesla's driver-assistance systems. Uber sold off its self-driving car division in 2020, years after one of its test vehicles struck and killed a pedestrian in Arizona.

## Tesla's Cybercab

Musk announced plans last month to produce large numbers of driverless Tesla robotaxis starting as soon as 2026. The company unveiled Cybercab and Robovan models last month that were merely prototypes.

Soon after the event, Musk called for a federal approval process for autonomous vehicles. During Tesla's quarterly earnings call, the CEO said he'd leverage a potential role in the Trump administration to push for one.

Trump has since named Musk and entrepreneur Vivek Ramaswamy to lead a new Department of Government Efficiency to "dismantle government bureaucracy" and slash spending and regulations deemed overly burdensome.

Past efforts to come up with federal legislation to regulate autonomous vehicles have fizzled.

NHTSA currently permits manufacturers to deploy 2,500 self-driving vehicles per year under a granted exemption, but legislative efforts to increase that number to as many as 100,000 have repeatedly failed.

A bill to do that sailed through the House several years ago during Trump's first term, but the measure has been bogged down in the Senate. An attempt during the first year of the Biden administration to merge the bill with other legislation faltered when some manufacturers tried to include language that would prevent consumers from suing or forming class-action cases.

Photo: The National Highway Traffic Safety Administration currently permits manufacturers to deploy 2,500 self-driving vehicles per year under a granted exemption./Bloomberg