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LEGAL UPDATES

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# Federal and California Regulators Advance Autonomous Vehicle Rules, Setting the Stage for Accelerating Deployment

Recent moves by federal and California regulators point to increased support for the development and accelerated rollout of autonomous vehicles (AVs). While these changes are incremental rather than sweeping, they show a growing effort to clarify and streamline rules for AV testing and commercialization in the U.S.

## Federal developments: broader exemptions and adjusted reporting

The U.S. Department of Transportation's National Highway Traffic Safety Administration (NHTSA) recently expanded its exemption program for vehicles with automated driving systems. Previously, the Part 591 program allowed only foreign-made AV prototypes to be imported for research or demonstration, exempting them from certain Federal Motor Vehicle Safety Standards (FMVSS). The update now includes U.S.-made AVs, addressing industry concerns about inconsistent treatment of domestic and foreign prototypes.

However, Part 591 exemptions remain limited to non-commercial research and demonstration activities, excluding commercial services such as ride-hailing or freight. As a result, large-scale commercial AV deployment is not yet permissible.

NHTSA is also looking at ways to streamline the more robust Part 555 exemption program, which allows temporary FMVSS exemptions for vehicles, introducing new safety features or designs, provided safety is maintained.

Additionally, NHTSA proposed a voluntary framework called the AV Step program, designed to simplify the exemption process for vehicles with advanced automated driving systems. Still in development, this framework may eventually make market entry easier for AV manufacturers.

### **Federal oversight: crash reporting updates**

NHTSA updated its order requiring manufacturers to report crashes involving advanced driver assistance systems (ADAS) or higher-level automated driving systems (ADS). While some requirements—such as reporting deadlines and the types of crashes to be reported—were eased, the primary reporting obligation remains.

### **California's expanded approach to AV testing and deployment**

The California Department of Motor Vehicles (DMV) also recently proposed new rules to broaden AV testing and deployment on public roads. The proposal would, for the first time, allow both light-duty and heavy-duty AVs—including trucks—to operate in California, a significant shift for a state that has mainly limited AV testing to passenger vehicles.

The DMV's proposal is open for public comment and, if adopted, could position California as a leader in AV deployment, especially for commercial trucking, which previously was restricted.

### **Industry implications: steady but limited progress**

These AV regulatory changes offer more clarity and consistency at both federal and state levels. The measures are expected to ease compliance and make exemptions more attainable, though they fall short of allowing immediate, full-scale commercial AV operations.

This regulatory momentum also aligns with a rise in partnerships among technology firms, automakers, and ride-hailing services, as well as the gradual launch of commercial AV fleets in select markets.

### **What this means to you**

Industry participants should monitor these regulatory developments and consider engaging in public comment opportunities to help shape the evolving landscape. Although immediate commercial deployment remains limited, the future of autonomous vehicles in the U.S. is accelerating.

### **Contact us**

If you have questions regarding federal or state regulations concerning the development of vehicles with automated driving systems, please contact Julie Maurer, Andy Kleiner, or your Husch Blackwell attorney.