

May 17, 2021

Honorable Jan Schakowsky, Chair
Subcommittee on Consumer Protection and Commerce
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

Honorable Gus Bilirakis, Ranking Member
Subcommittee on Consumer Protection and Commerce
Committee on Energy and Commerce
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Dear Chairwoman Schakowsky and Ranking Member Bilirakis:

Re: AV's and Forced Arbitration

We join the many public interest organizations that have shared numerous safety concerns about autonomous vehicle (AV) legislation. We write to bring to your attention an additional urgent issue that, if not remedied, will have drastic implications for the safety of these vehicles: the need for any legislation to ban companies' use of forced arbitration clauses.

AVs will be offered to the public most often as an automated mobility-as-a-service platform, similar to an Uber model. Or they will be sold directly to the public, as Tesla cars are sold today. Unless legislation prevents manufacturers from doing so, they will insert extremely broad forced arbitration clauses into their contracts, blocking consumers from meaningful remedies if they are hurt or their privacy violated. Even pedestrians' claims could be kept out of court.

Auto companies have a long history of cutting safety corners and weighing the potential costs of liability to determine whether a dangerous vehicle should be redesigned or removed from the market, or an unsafe practice should be stopped. Forced arbitration, where disputes are resolved in secretive, rigged proceedings that the company controls and which keeps information hidden from regulators and the public, would undermine this entire liability and accountability structure. If all auto defect cases had been forced into arbitration, we would never have learned about such deadly defects as exploding Ford Pintos or faulty GM ignition switches. A world in which auto defect cases are litigated in such a system, without benefit of rules of discovery and evidence or the right to appeal, will be a much more dangerous world for America's drivers, passengers, pedestrians and others who share the roadways with AVs.

In the interest of safety and accountability, we strongly urge you to ban the use of forced arbitration clauses in any AV legislation.

Sincerely,

Alliance for Justice
American Association for Justice
Center for Justice & Democracy
Consumer Action
Consumer Federation of America
Consumer Watchdog
Consumers for Auto Reliability and Safety
Earthjustice
Googlers for Ending Forced Arbitration
KidsAndCars.org
National Association of Consumer Advocates
National Consumer Law Center (on behalf of its low income clients)
National Consumers League
National Employment Law Project
People's Parity Project
Public Justice
Texas Watch
U. S. PIRG