

PBOT

PORLAND BUREAU OF TRANSPORTATION

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Representative Susan McLain, Chair
House Committee on Transportation
900 Court Street, NE
Salem, OR 97301

Dear Chair McLain, Vice Chair Boshart Davis, and members of the Committee,

Thank you for the opportunity to weigh in on HB 4085. We appreciate your engagement around the topic of Automated Vehicles (AVs) in Oregon, and for Rep. McLain's leadership on Oregon's AV Task Force in 2018 and 2019, which we participated in. I believe we share a perspective that we need to make thoughtful choices today to set our communities up for a better tomorrow.

We are aware of the potential for innovation and benefits that AVs could bring to our city. However, we are also aware that AVs are a new technology whose impacts on communities and the transportation system are not fully understood. We understand the need for statewide legislation to provide a state framework for AVs on some policy; at the same time, the impacts will be felt primarily in cities like Portland, and impacts and needs will vary across cities and the state. **This is a very complex policy area, and we need more time to develop thoughtful policy that gets the regulations right and maintains local control. The City is very committed to continuing work with all stakeholders on identifying a path forward that works for both the state and local jurisdictions. However, at this time we are opposed to HB 4085 and the -1 and -2 amendments.**

Below please see more below about the complexities of this bill and why this needs more time:

- **HB 4085 would allow the use of AVs to transport persons, property, and even for individual use. These three use cases are each complex in their own right and should be separated into different legislation and regulatory frameworks.** Proposed legislation at the federal level indicates that passenger and goods movement are being thought of separately. It is premature for Oregon to try to address goods movement with for-hire AVs at this time. The use of automated driving systems in personally owned vehicles is added complexity. It could require other regulatory changes, like insurance, and new kinds of driver education. Today, there are nearly 40,000 Tesla vehicles registered in the state that could be upgraded if Tesla were to offer an AV software upgrade. HB 4085 begs the question of if Oregon is appropriately ready to allow them to become AVs.
- **The bill prevents local governments from ensuring AVs integrate smoothly into our transportation system. Local governments must not be preempted.** Automated vehicles and On-Demand AV Networks are disruptive technologies whose potential is not fully understood, and



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whose impacts will fall predominately on local streets. Therefore, local governments must maintain regulatory authority to ensure we can maximize the benefits and minimize any disruption. It will be local authorities who will be called on to respond when AVs cause curbside conflicts, stall in the middle of streets, conflict with first-responders, or struggle to understand changes to city streets due to road closures, events, or construction. This is not hypothetical; cities like San Francisco, Los Angeles, and Austin are seeing these challenges on their streets.

The Oregon State Legislature has long recognized the authority of cities and counties to regulate private for-hire transportation (ORS 221.495). Today, Portland regulates at least eight different modes/services to ensure safe and efficient operations that meet evolving customer needs and promote fair competition. Other Oregon cities that regulate for-hire modes include Gresham, Tualatin, Bend, Redmond, Pendleton, Eugene, Medford, Ashland, and more. The continued authority by cities and counties to regulate all forms of private for-hire transportation – including On-Demand Automated Vehicle Networks – allows for the development of locally appropriate strategies to:

- Promote safety and protect consumers
- Manage traffic and curb conflicts
- Coordinate with changing local conditions and the needs of first responders
- Manage vehicle traffic congestion and reduce climate pollution
- Improve citywide service, and
- Expand access for people with disabilities and low incomes.

- **On Demand AV Networks should be regulated as part of the private for-hire transportation industry.** HB 4085 proposes “carving out” On-Demand AV Networks as something new and distinctly different from other private for-hire transportation services. The City of Portland has successfully regulated this industry starting with horse-drawn carriages in the late 1800s and through the evolution of taxis, tour buses, transportation network companies (TNCs) like Uber and Lyft, and e-scooters. AVs are but another innovation in this industry and should be held to similar standards as the other private for-hire transportation companies. A level playing field would mean For-Hire AVs would meet requirements related to data privacy and data sharing so cities can understand traffic impacts. It would include enforceable standards for minors, citywide service, response times, and for users with accessibility needs. Regulating On-Demand AV Networks as for-hire services would result in fairer competition between transportation services using artificial intelligence and those employing natural persons.
- **Automated Vehicles bring the promise of safety benefits, but those benefits are not guaranteed.** Even though For-Hire AVs started to scale last year, this is still very new technology. While few fatal crashes have recently occurred, each week new articles are published that highlight the safety and transportation system management challenges facing cities with For-Hire AV deployments. Each For-Hire AV company operates with a different automated driving software that has a different safety record. There is only one company, Waymo, that has surpassed 100 million driverless miles and, while that safety data is indeed promising, Waymo’s own Director of Safety Research recently told Bloomberg that, “there is not yet sufficient mileage to make statistical conclusions about fatal crashes alone.” Recent National Highway Transportation Safety Administration (NHTSA) data shows that Tesla’s robottaxis have a rate of one crash every 55,000 miles, while human drivers in the U.S. average approximately one police reported crash every 500,000 miles. This is a clear reason to continue collaborating and regulating for safety.
- **This legislation is silent on labor concerns. For-hire AVs will likely displace human drivers currently working for taxis and Uber/Lyft.** As part of the City of Portland’s existing private for-hire regulations, we hear regularly from drivers and often work as an intermediary between them

and the Transportation Network Companies. We believe their perspectives should be considered before statewide AV regulation moves forward.

- **HB 4085 lacks appropriate enforcement and accountability mechanisms.** Proposed legislation remains unclear on how local officials would issue traffic citations to AV companies for cars without an onboard operator, or without a licensed driver to link an infraction to in the system. When human for-hire drivers get numerous traffic citations in Portland, their taxi or Uber/Lyft permits are suspended or revoked, but that would not be the case for the for-hire AV companies through this legislation. An AV company could get thousands of traffic citations in a year, pay nominal financial penalties, and keep their operating permit. Permits could only be suspended or revoked at the “substantial risk of death” or permanent injury. This bill also lays out murky exemptions to state law, including to state statutes that lay out duties of drivers to injured persons, animals, or as witnesses to accidents, and when the AV determines it is “reasonable” to break the law. These exemptions need to be better clarified and rationalized. Finally, HB 4085 currently permits for-hire AV companies to operate indefinitely, rather than for a set period of time. Without set review periods or issuance of annual permits, it’s unclear how agencies would get updated insurance or other pertinent information from the company. These complex issues need to be addressed.
- **This legislation does not provide any structure on data coordination. To safely operate on local streets, cities and AV companies should work together to integrate local public safety data, like school zones, work zones, major events, road closures, etc., into their routing systems.** Cities also need anonymous trip data to understand how AVs will use the transportation system, data which is used to plan maintenance, inform upgrades, and implement curb management changes that better support AV operations. Cities and vendors have demonstrated how this works for e-scooters, shared e-bikes, carshare, taxis and more, so this is not unproven.
- **This legislation stands silent on fuel type for AV fleets.** The City would like to see a commitment that all for-hire AVs be zero-emission vehicles to operate on public roads. This aligns with the State of Oregon’s goals for at least 50% of new passenger vehicle sales be zero-emission by 2030. In addition, fleet charging depots must be thoughtfully located to reduce conflicts with adjacent land uses that could come from vehicles entering and exiting the facility, backing up, or charging.
- **This legislation stands silent on cybersecurity requirements.** The Oregon Task Force on Autonomous Vehicles, led by State Representative McLain and attended by City staff, emphasized the importance of cybersecurity and privacy considerations in the 2019 Task Force Report. The City would like to see more clarity on the topic and integration of best practices Oregon should have in place to ensure adequate cybersecurity and privacy.

In closing, I appreciate the opportunity to share feedback. While this topic is too complex for the constraints of the 2026 short session, I look forward to continued discussions about a thoughtful approach to Automated Vehicle regulations in Oregon. The City of Portland has a successful history of developing go-to-market frameworks for innovative technologies in ways that can work for both public and private partners. We can deploy a similar approach with For-Hire AVs.

Sincerely,

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