#### ADOPTED REGULATION OF THE

#### DEPARTMENT OF MOTOR VEHICLES

#### LCB File No. R027-13

Effective October 23, 2013

EXPLANATION - Matter in *italics* is new; matter in brackets [omitted material] is material to be omitted.

AUTHORITY: §§1 and 2, NRS 482A.100.

A REGULATION relating to autonomous vehicles; revising certain provisions concerning the registration of autonomous vehicles; revising certain provisions relating to an application to test autonomous vehicles; and providing other matters properly relating thereto.

**Section 1.** NAC 482A.050 is hereby amended to read as follows:

482A.050 1. Before an autonomous vehicle may be registered in this State, the owner of the autonomous vehicle must submit to the Department, in addition to any other requirement set forth in chapter 482 or 482A of NRS for registering a vehicle, a copy of the certificate of compliance issued by the manufacturer of the vehicle or by a licensed autonomous technology certification facility pursuant to NAC 482A.190.

- 2. A person who submits an application to register an autonomous vehicle in this State must submit proof that the person has obtained the insurance coverage required pursuant to NRS 485.185, and not an operator's policy of liability insurance pursuant to NRS 485.186.
- 3. Upon registering an autonomous vehicle pursuant to this section, the Department will issue license plates to the owner of the vehicle indicating that the vehicle is an autonomous vehicle. The Department will not charge an additional fee to register an autonomous vehicle.
  - **Sec. 2.** NAC 482A.110 is hereby amended to read as follows:

- 482A.110 1. A person may apply for a license to test the autonomous technology installed on the autonomous vehicles of the person by submitting an application to the Department on a form provided by the Department. A license issued pursuant to this section authorizes the testing of the autonomous technology installed on the autonomous vehicles of the licensee on the highways of this State even if certificates of compliance have not been issued for the autonomous vehicles pursuant to NAC 482A.190.
- 2. The form provided by the Department must require the applicant to affirm that, to the best of the applicant's knowledge and belief, each autonomous vehicle to be tested:
  - (a) Is safe to operate on the highways of this State.
- (b) Has a separate mechanism in addition to, and separate from, any other mechanism required by law, to capture and store the autonomous technology sensor data for at least 30 seconds before a collision occurs between the autonomous vehicle and another vehicle, object or natural person while the vehicle is operating in autonomous mode. The autonomous technology sensor data must be captured and stored in a read-only format by the mechanism so that the data is retained until extracted from the mechanism by an external device capable of downloading and storing the data. Such data must be preserved for 3 years after the date of the collision. The provisions of this paragraph do not authorize or require the modification of any other mechanism to record data that is installed on the autonomous vehicle in compliance with federal law.
- (c) Has a switch to engage and disengage the autonomous vehicle that is easily accessible to the operator of the autonomous vehicle and is not likely to distract the operator from focusing on the road while engaging or disengaging the autonomous vehicle.
- (d) Has a system to safely alert the operator of the autonomous vehicle to take control of the autonomous vehicle if a technology failure is detected.

- (e) Is equipped with autonomous technology which does not adversely affect any other safety features of the vehicle which are subject to federal regulation.
- 3. An applicant to operate a business to test autonomous vehicles pursuant to this section must:
- (a) Submit proof to the Department that each autonomous vehicle which will be tested in this State is covered by insurance in an amount that meets or exceeds the minimum requirements for a vehicle registered in this State as set forth in NRS 485.185, and not an operator's policy of liability insurance as described in NRS 485.186. Any change in the information submitted concerning a policy of insurance pursuant to this section must be reported to the Department within 10 business days after the effective date of the change.
- (b) Submit with the application proof satisfactory to the Department that one or more of the autonomous vehicles of the applicant has been driven by the applicant for a combined minimum of not less than 10,000 miles in autonomous mode. The applicant must further provide proof that such autonomous vehicle or vehicles of the applicant have been driven in various conditions for a number of miles that demonstrates the safety of the vehicle or vehicles in those conditions. Such conditions include, without limitation, operating the autonomous vehicle in various weather conditions, on various types of roads and during various times of the day and night.
- (c) Demonstrate the artificial intelligence and technology used in its autonomous vehicles to the Department for approval.
- (d) Submit the proposed geographic locations where the applicant wishes to test the autonomous vehicles. The applicant must establish to the satisfaction of the Department that the autonomous vehicles of the applicant are capable of being driven in the conditions of the

proposed geographic locations in compliance with the traffic laws and other laws applicable to drivers and motor vehicles operated in this State.

- 4. An application to test autonomous vehicles submitted pursuant to this section must be accompanied by :
- $\frac{(a)}{A}$  a nonrefundable fee of \$100; and :
- (a) Proof of insurance or self-insurance acceptable to the Department in the amount prescribed by section 2.5 of Senate Bill No. 313, chapter 377, Statutes of Nevada 2013, at page 2009 (NRS 482A.060); or
  - (b) A surety bond or deposit of cash in lieu of the bond :
- (1) If the applicant will test not more than 5 autonomous vehicles, in the amount of \$1,000,000.
- (2) If the applicant will test at least 6 autonomous vehicles, but not more than 10 autonomous vehicles, in the amount of \$2,000,000.
- (3) If the applicant will test more than 10 autonomous vehicles, in the amount of \$3,000,000.] in the amount prescribed by section 2.5 of Senate Bill No. 313, chapter 377, Statutes of Nevada 2013, at page 2009 (482A.060).
- 5. The Department may require such additional information, documentation and affirmations as the Department deems necessary or appropriate before approving an application to test autonomous vehicles that is submitted pursuant to this section.
- 6. A license to test autonomous vehicles that is issued by the Department pursuant to this section is valid for 1 year after the date of issuance and may be renewed by submitting an application in the same manner as for the initial license. To avoid a lapse in the license issued

pursuant to this section, a licensee wishing to renew his or her license must submit an application
for renewal at least 30 days before the date on which the license is set to expire.

# INFORMATIONAL STATEMENT OF ADOPTED REGULATIONS AS REQUIRED BY ADMINISTRATIVE PROCEDURES ACT, NRS 233B.066 LCB FILE NO. R027-13 October 11, 2013

The following statement is submitted for adopted amendments to the Nevada Administrative Code, Chapter 482A:

# 1. Provide a clear and concise explanation of the need for the adopted regulation.

With the passage of Senate Bill 313 from the 2013 Legislative Session, the Department is introducing language to create the necessary administrative rules to carry out the provisions of the bill.

# 2. A description of how public comment was solicited, a summary of their response, and an explanation how other interested persons may obtain a copy of the summary.

Copies of the proposed regulation, notices of workshop and notices of intent to act upon the regulations were sent out for posting by electronic mail to all DMV offices and county libraries where there is not a DMV office. They were also made available on the Department of Motor Vehicles website at www.dmvnv.com/publicmeetings.htm.

A public workshop was noticed on July 22, 2013, and held on August 7, 2013, at the Legislative Building at 401 South Carson Street, Room 4100 in Carson City. This was a video-conference workshop with the Great Basin College at 1500 College Parkway in Elko and the Grant Sawyer Building in Las Vegas.

A Notice of Intent to Act upon the regulations was published on September 3, 2013, and a public hearing was held October 9, 2013, at the Legislative Building at 401 South Carson Street, Room 3138 in Carson City. This was a video-conference public hearing with Great Basin College at 1500 College Parkway in Elko and the Grant Sawyer Building in Las Vegas.

A recording of the public workshop and public hearing is on file at the Department of Motor Vehicles, Management Services and Programs Division, 555 Wright Way, Carson City, Nevada. Copies of these minutes may be obtained by written request to Lynn Libby, Department of Motor Vehicles, Management Services and Programs Division, 555 Wright Way, Carson City, Nevada 89711.

# Public Workshop - August 7, 2013

There were no individuals present at the workshop to provide comment in opposition or support.

#### **Public Hearing – October 9, 2013**

There were no individuals present at the workshop to provide comment in opposition or support.

# 3. The number of persons who:

# (a) Attended each hearing;

# Public Workshop:

- o No one showed at the Carson City location;
- o No one showed at the Elko location;
- No one showed at the Las Vegas location;

#### Public Hearing:

- o No one showed at the Carson City location;
- No one showed at the Elko location;
- o No one showed at the Las Vegas location.

# (b) Testified at each hearing;

#### Public Workshop:

- o No one showed too testified at the Carson City location;
- o No one showed too testified at the Elko location;
- o No one showed too testified at the Las Vegas location.

#### and

# Public Hearing:

- o No one showed too testified at the Carson City location;
- o No one showed too testified at the Elko location;
- o No one showed too testified at the Las Vegas location.

## (c) Submitted to the agency written statements:

Comments were solicited using electronic mail and postings as described in both the Workshop and Hearing notices. Formal written comments from the community for the public workshop and hearing are shown below.

#### Public Workshop:

No written testimony was submitted to the Department.

#### Public Hearing:

No written testimony was submitted to the Department.

4. A description of how comment was solicited from affected businesses, a summary of their response, and an explanation how other interested persons may obtain a copy of the summary.

Comments were solicited using electronic mail and postings as described in both the Workshop and Hearing notices.

5. If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.

No changes were made since the public and stakeholders were not present at the public meetings, and provided no written comments. The original language within the regulations aligns with Senate Bill 313.

- 6. The estimated economic effect of the adopted regulation on the businesses that it is to regulate and on the public. These must be stated separately, and each case must include:
  - (a) Both adverse and beneficial effects;

# (Adverse Effects)

# • <u>Autonomous Vehicle – Liability Coverage Increased to \$5 million for Test Businesses:</u>

The Department believes there are no adverse effects to Nevada businesses from the proposed regulations. The minimum liability insurance amounts increasing for an autonomous testing company provide additional financial protection for businesses and the public.

# (Beneficial Effects)

- o The minimum liability insurance amounts increasing for an autonomous testing company provide additional financial protection for businesses and the public.
- o Autonomous testing companies will have to provide proof of insurance or self-insurance in the amount of \$5 million; or
- o A surety bond or deposit of cash in the amount of \$5 million.

#### and

# (b) Both immediate and long-term effects.

#### **Immediate Effects:**

Liability requirements are increased.

#### **Long-Term Effects:**

Better coverage for the community and our businesses. The Department will have to determine if the new liability coverage amounts correlate with the economy in future years. This may need to increase again in time to meet any increase in replacement cost values.

#### 7. The estimated cost to the agency for enforcement of the adopted regulation.

The Departments Compliance Enforcement Division will be responsible for the inspections, random audits, and investigations of businesses that are licensed as a testing company and/or an Autonomous Technology Certification Facility.

8. A description of any regulations of other state or government agencies that the proposed regulation overlaps or duplicates, and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.

No overlapping or duplication.

9. If the regulation includes provisions that are more stringent than a federal regulation that regulates the same activity, a summary of such provisions.

No Federal regulations have been adopted for this technology.

10. If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.

The Department is not adopting regulations that creates or increases a new fee. The regulation is designed to increase the required insurance liability amounts an autonomous testing company will have to purchase.