ADOPTED REGULATION OF

THE DEPARTMENT OF MOTOR VEHICLES

LCB File No. R134-15

Effective June 28, 2016

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

AUTHORITY: §§1-11, NRS 482A.100.

A REGULATION relating to autonomous vehicles; revising provisions relating to the control of an autonomous vehicle by a natural person; revising provisions relating to the requirements for certain operators of autonomous vehicles; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides that an autonomous vehicle is a vehicle equipped with autonomous technology, which has the capability to drive the motor vehicle without the active control or monitoring of a human operator. (NRS 482A.025, 482A.030) Existing regulations require an autonomous vehicle that is being tested or certified to operate on the highways of this State to have a system to safely alert the operator of the vehicle to take control of the vehicle if a technology failure is detected. (NAC 482A.110, 482A.190) **Sections 9 and 11** of this regulation require such a system to alert the operator of the autonomous vehicle to take "active control" or "physical control" of the vehicle. **Sections 7 and 10** of this regulation make conforming changes to various provisions dealing with human control of an autonomous vehicle. The terms "active control" and "physical control" are defined in **sections 3 and 4** of this regulation. "Active control" is defined to mean the electronic monitoring and control of the mechanical operations of the vehicle, and "physical control" is defined to mean the monitoring of, direct physical contact with and hands-on control of the mechanical operations of the vehicle by the operator.

Existing regulations require that two licensed drivers be present in an autonomous vehicle being tested on the highways of this State, one of whom is the operator and must at all times be seated in a position which allows the person to take complete control of the vehicle. (NAC 482A.130) **Section 10** of this regulation provides that only one licensed driver is required to be present in such a vehicle and that such a person must be able to take active control or physical control of the vehicle.

Existing law authorizes the Department of Motor Vehicles, whenever good cause appears, to issue a driver's license with certain restrictions suitable to a licensee's driving ability as the Department may determine to be appropriate to assure the safe driving of a motor vehicle by the licensee, such as requiring corrective lenses for certain licensees. (NRS 483.360; NAC 483.350) Existing regulations provide for Restriction JA, placed on the driver's license of a

person who requires a restriction that does not meet the description of any other restriction or whose driver's license requires more restrictions than can be shown on the license, which requires the licensee to carry a detail form which details specific restrictions on the licensee or his or her vehicle. (NAC 483.360) Section 10 of this regulation authorizes a person who holds a driver's license with Restriction JA to be the operator of an autonomous vehicle being tested provided that: (1) the detail form issued to the holder of the driver's license with Restriction JA authorizes the holder to operate an autonomous vehicle for testing on the highways of this State through the use of active control; (2) a second person in the vehicle is a licensed driver and is seated in a position which allows the person to take active control or physical control of the vehicle; (3) there is a pilot vehicle, driven by a licensed driver, directly in front of the autonomous vehicle; and (4) a person licensed to test autonomous vehicles in this State proves to the Department that the holder is an employee of the person licensed to test autonomous vehicles in this State and that the holder has been trained in the operation of the autonomous vehicle before operating it on the highways of this State. If for any reason the pilot vehicle is unable to continue operating directly in front of the autonomous vehicle being tested, the operator of the autonomous vehicle must pull the vehicle safely to the side of the road, or the second operator must disengage the autonomous technology and take active control or physical control of the vehicle. Section 6 of this regulation provides a definition of a pilot vehicle required for such testing of an autonomous vehicle.

- **Section 1.** Chapter 482A of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 6, inclusive, of this regulation.
- Sec. 2. As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 3 and 4 of this regulation have the meanings ascribed to them in those sections.
- Sec. 3. "Active control" means the electronic monitoring and control of the mechanical operations of an autonomous vehicle, including, without limitation, braking, steering and adjusting the throttle of the vehicle, by the operator of the autonomous vehicle through the use of sensors or other technology without the operator physically controlling such operations.
- Sec. 4. "Physical control" means the monitoring of, direct physical contact with and hands-on control of the mechanical operations of an autonomous vehicle, including, without limitation, braking, steering and adjusting the throttle, by the operator of the autonomous vehicle.

- Sec. 5. "Licensee" means a person who is licensed to test autonomous vehicles on the highways of this State.
 - Sec. 6. "Pilot vehicle" means a motor vehicle that:
 - 1. Is registered pursuant to chapter 482 of NRS;
- 2. Meets all the applicable requirements of chapter 484D of NRS to operate on the highways of this State;
 - 3. Is insured as required pursuant to chapter 485 of NRS;
- 4. Is driven by a person who holds a valid license to operate the motor vehicle issued in the state in which the person resides; and
- 5. Is intended to be operated pursuant to subsections 3 and 4 of NAC 482A.130 directly in front of an autonomous vehicle being operated by the holder of a restricted driver's license.
- → The term does not include a motorcycle or moped.
 - **Sec. 7.** NAC 482A.010 is hereby amended to read as follows:
- 482A.010 As used in NRS 482A.030, the Department will interpret the term "autonomous vehicle" to exclude a vehicle enabled with a safety system or driver assistance system, including, without limitation, a system to provide electronic blind spot assistance, crash avoidance, emergency braking, parking assistance, adaptive cruise control, lane keep assistance, lane departure warnings and traffic jam and queuing assistance, unless the vehicle is also enabled with artificial intelligence and technology that allows the vehicle to carry out all the mechanical operations of driving without the active control, *physical control* or continuous monitoring of a natural person.
 - **Sec. 8.** NAC 482A.100 is hereby amended to read as follows:

482A.100 As used in NAC 482A.100 to 482A.180, inclusive, and sections 5 and 6 of this regulation, unless the context otherwise requires, ["licensee" means a person who is licensed to test autonomous vehicles on the highways of this State.] the words and terms defined in sections 5 and 6 of this regulation have the meanings ascribed to them in those sections.

- **Sec. 9.** 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]** *crash* 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.]** *crash*. 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 *active control or physical* 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 a nonrefundable fee of \$100 and:
- (a) Proof of insurance or self-insurance acceptable to the Department in the amount prescribed by NRS 482A.060; or
- (b) A surety bond or deposit of cash in lieu of the bond in the amount prescribed by NRS 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.

- **Sec. 10.** NAC 482A.130 is hereby amended to read as follows:
- 482A.130 1. [Unless] Except as otherwise provided in subsection 3 or unless otherwise approved in advance by the Department, a licensee shall ensure that at least [two persons are] one person is physically present in an autonomous vehicle at all times that the autonomous vehicle is being tested on a highway in this State, [one of whom is the operator and] who must at all times be seated in a position which allows the person to take [complete] active control or physical control of the vehicle. [, including, without limitation, control of the steering, throttle and brakes.]
- 2. The [two persons] person who [are] is required to be physically present in an autonomous vehicle while it is tested on a highway in this State:
- (a) Must [each] hold a valid driver's license that has been issued in the state in which the person resides, but [are] is not required to have a driver's license endorsement to operate the autonomous vehicle as provided in NAC 482A.040;
- (b) Must be trained in the operation of the autonomous vehicle and have received instruction concerning the capabilities and limitations of the autonomous vehicle; and
- (c) Shall [each] actively monitor for any aberration in the functioning of the autonomous vehicle while it is engaged.
- 3. The holder of a restricted driver's license issued pursuant to NRS 483.360 with the Restriction JA described in NAC 483.360 may be the operator of an autonomous vehicle that is being tested on a highway in this State provided that:
- (a) The detail form carried by the holder authorizes the holder to operate an autonomous vehicle that is being tested on a highway in this State pursuant to this section through the use of active control;

- (b) The holder is employed by a licensee who has met the requirements of subsection 5;
- (c) A pilot vehicle is being operated directly in front of the autonomous vehicle; and
- (d) A second person in the autonomous vehicle:
- (1) Is seated in a position which allows the person to safely engage and disengage the autonomous technology and take active control or physical control of the autonomous vehicle; and
- (2) Holds a valid driver's license that has been issued in the state in which the person resides.
- 4. If a pilot vehicle operating directly in front of an autonomous vehicle being tested on a highway in this State pursuant to subsection 3 is for any reason unable to continue to operate in such a manner:
- (a) The operator of the autonomous vehicle must pull the autonomous vehicle safely to the side of the road; or
- (b) The second person in the autonomous vehicle must disengage the autonomous technology and take active control or physical control of the autonomous vehicle.
- 5. A licensee who employs the holder of a restricted driver's license issued pursuant to NRS 483.360 with the Restriction JA described in NAC 483.360 to test autonomous vehicles pursuant to subsection 3 must obtain the approval of the Department before allowing the holder to test an autonomous vehicle on a highway in this State. The Department shall approve a request for such approval if the licensee provides to the Department:
 - (a) Proof satisfactory to the Department that:
 - (1) The holder is an employee of the licensee; and

- (2) The holder has completed not less than 50 hours of training in an autonomous vehicle which:
- (I) May include not more than 10 hours of operation of an autonomous vehicle simulator; and
- (II) Must include not less than 40 hours of operating an autonomous vehicle that meets the requirements of NRS 482A.080 on any paved, graded or similar surface that is not a highway of this State, including, without limitation, a race track or private course; and
 - (b) Any other information requested by the Department.
- 6. An autonomous vehicle may only be tested on a highway in this State which is located in a geographic location that the Department has approved for such use for vehicles tested by the licensee and indicated on the certificate issued to the licensee pursuant to NAC 482A.120.
- [4.] 7. A licensee shall submit a report to the Department within 10 business days after an autonomous vehicle of the licensee that is tested in this State is involved in [an accident] a crash during the course of testing or after an operator of such autonomous vehicle is issued a citation for any violation of the traffic laws or other laws applicable to drivers and motor vehicles operated in this State during the course of testing. The report must include a copy of any [accident] crash report prepared regarding [an accident] a crash and any citation issued to the operator or licensee and such additional information as may be required by the Department.
 - **Sec. 11.** NAC 482A.190 is hereby amended to read as follows:
- 482A.190 1. Before an autonomous vehicle may be offered for sale by a licensed vehicle dealer in this State, a certificate of compliance must be issued for the autonomous technology installed on the autonomous vehicle by:
 - (a) The manufacturer of the autonomous vehicle; or

- (b) An autonomous technology certification facility that is licensed pursuant to NAC 482A.220.
- 2. A certificate of compliance issued pursuant to subsection 1 must certify that the autonomous technology installed on the autonomous vehicle:
- (a) 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] crash 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.] crash. 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.
- (b) 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.
- (c) Has a visual indicator inside the autonomous vehicle which indicates when the autonomous vehicle is engaged in autonomous mode.
- (d) Has a system to safely alert the operator of the autonomous vehicle if a technology failure is detected while the autonomous vehicle is engaged in autonomous mode, and when such an alert is given, either:

- (1) Requires the operator to take *active* control *or physical control* of the autonomous vehicle; or
- (2) If the operator is unable to take *active* control *or physical control* of or is not physically present in the autonomous vehicle, is equipped with technology to cause the autonomous vehicle to safely move out of traffic and come to a stop. Nothing in this subparagraph shall be construed to authorize or require the modification of a system installed in compliance with the Federal Motor Vehicle Safety Standards and Regulations unless the modification can be performed without adversely affecting the autonomous vehicle's compliance with the federal standards and regulations.
- (e) Does not adversely affect any other safety features of the autonomous vehicle which are subject to federal regulation.
- (f) Is capable of being operated in compliance with the applicable traffic laws of this State and must indicate whether the autonomous vehicle may be operated with or without the physical presence of an operator.
- (g) If it is necessary for the operator of the autonomous vehicle to be physically present in the autonomous vehicle when it is engaged, allows the operator to take *active* control *or physical control* of the autonomous vehicle in multiple manners, including, without limitation, through the use of the brake, the accelerator pedal and the steering wheel and alerts the operator that the autonomous mode has been disengaged.
- 3. In addition to the requirements set forth in subsection 2, the certificate of compliance must certify that an owner's manual has been prepared for the autonomous vehicle which describes any limitations and capabilities of the autonomous vehicle, including, without limitation, whether the operator of the autonomous vehicle must be physically present in the

autonomous vehicle while the vehicle is engaged in autonomous mode. A licensed vehicle dealer or a licensed autonomous technology certification facility shall ensure that a copy of such a manual is provided to the purchaser of an autonomous vehicle.

4. As used in this section, "vehicle dealer" has the meaning ascribed to it in NRS 482.020.

INFORMATIONAL STATEMENT OF ADOPTED REGULATIONS AS REQUIRED BY ADMINISTRATIVE PROCEDURES ACT, NRS 233B.066 LCB FILE NO. **R134-15**May 18, 2016

The following statement is submitted for adopted amendments to Nevada Administrative Code (NAC) 482A – Autonomous Vehicles.

(a) A clear and concise explanation of the need for the adopted regulation

The Department of Motor Vehicles is proposing to expand the autonomous testing requirements for certain advanced technologies. The proposed language targets companies whose technology is designed to allow for a handicapped individual to electronically operate a test vehicle on Nevada's roadways. This technology is revolutionary and is not defined in state, federal or international autonomous definitions.

If the testing operator is handicapped and hired by an approved testing company to operate their autonomous/automated vehicle, additional safety and administrative requirements must be achieved by the driver and company before a test license is issued by the Department. The proposed language lists the following additional requirements. If a company does not fall under these unique testing situations (handicapped operator), they will not be subjected to the additional safety requirements.

(b) A description of how public comment was solicited, a summary of the public response, and an explanation of 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 no DMV office. They were also made available on the Department of Motor Vehicles website.

A Public Workshop was noticed on February 12, 2016, and held on February 29, 2016, at the Nevada State Legislative Building in Carson City and video-conferenced to the Grant Sawyer Building in Las Vegas and Great Basin College in Elko. At the time of the workshop, the regulation was assigned number R-134-15. One member of the general public and one representative from the Governor's Office of Economic Development attended the workshop.

Following the workshop, the Department realized that certain safety requirements were missing from our original proposal and were added with the assistance of the Legislative Legal Review Team in preparation for the public hearing in May.

A Notice of Intent to Act upon the Regulations was noticed on March 31, 2016, and a public hearing was held on May 4, 2016. The hearing was held at the Nevada State Legislative Building in Carson City and video-conferenced to Las Vegas and Elko at the

Great Basin College. Four members of the general public attended the hearing. Two representatives from the Alliance of Automobile Manufacturers, one representative from the Fiat Chrysler Automobiles Company and a reporter from the Las Vegas Sun.

A recording of the Public Workshop and Notice of Intent to Act upon the Regulations is on file at the Department of Motor Vehicles, Management Services and Programs Division, 555 Wright Way, Carson City, Nevada 89711. Copies of these minutes may be obtained by written request to Attention: April Sanborn, DMV Services Manager, Department of Motor Vehicles, Management Services and Programs Division, 555 Wright Way, Carson City, Nevada 89711.

(c) The number of persons who:

(1) In attendance in Carson City – 9

Martin Hefner, Department of Motor Vehicles (Hearings Officer)

Jude Hurin, Department of Motor Vehicles

April Sanborn, Department of Motor Vehicles

Thomas Martin, Department of Motor Vehicles

Dan Langford, Governor's Office of Economic Development (workshop only)

Paul Enos, CEO of Nevada Trucking Association (workshop only)

Cy Ryan, Las Vegas Sun (public hearing only)

Ross Good, Fiat Chrysler Automobiles (FCA) (public hearing only)

Alfredo Alonso, Alliance of Automobile Manufacturers (public hearing only)

Curt Augustine, Alliance of Automobile Manufacturers (public hearing only)

In attendance in Las Vegas – 1

Kevin Malone, Department of Motor Vehicles

In attendance in Elko - 1

John Schifer, Department of Motor Vehicles

- (2) Testified at the hearing 3
- (3) Submitted to the agency written statements -1

(d) For each person identified in subparagraphs (2) and (3) of paragraph (c)

- ► Paul Enos (workshop) CEO of Nevada Trucking Association, pje@nevadatrucking.com; (775)843-7580
- Curt Augustine (public hearing) Director of Policy & Government Affairs, Alliance of Automobile Manufacturers, caugustine@autoalliance.org; (916)447-7315
- Ross Good (public hearing) Senior Manager, External Affairs and State Relations, ross.good@fcagroup.com; (916)503-2260

(e) 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 Question (b) for both the Workshop and the Hearing. They were also sent out by electronic mail to all industry contacts that the Department keeps on record. They were also made available on the Department of Motor Vehicles website at www.dmvnv.com/publicmeetings.htm

At the workshop, Mr. Paul Enos testified in favor of the proposed regulations. No one opposed the proposed language.

Prior to the public hearing on May 4th, the Department did received an email from Alfredo Alonso with an attached written comment from his colleague Mr. Curt Augustine. Mr. Augustine concerns were as follows:

- 1) The autonomous definitions within Chapter 482A did not align with the Society of Automotive Engineers (SAE) definitions.
- 2) The use of the phrase "active control" in our new regulatory language can be confusing and is used in many different ways in the automotive community.
- 3) The uncertainty of the need for the "pilot vehicle" requirement for autonomous testing.
- 4) Concerned about the practicality of having the person in the front passenger seat taking full control of the vehicle, if needed.

The Department did formally respond in writing to Mr. Alonso and Mr. Augustine. Below is a condensed version of our response:

- 1) The Department of Motor Vehicles is currently waiting on the outcome of what the National Highway Traffic Safety Administration (NHTSA) will provide regarding autonomous/automated technology. There are currently two formal sets of definitions. One, is from SAE and the other was created by NHTSA. Once a determination is made on which definition to refer to, the Department will adjust their regulations to align with those definitions. Until then, the Department's definitions are specifically for Chapter 482A and are unique to that section. The reason for the new language being proposed is due to a partnership the Department of Motor Vehicles made with a company who has created a unique technology that is not...I repeat...not defined within SAE or NHTSA definitions. This is another reason for our partnership with this company we need to make sure our national and international partners do not limit the type of technology based on current definitions.
- 2) The use of "active control" is unique and specific to our State Autonomous regulations. The new definition allows for the Department to expand the type of advance automation testing on our highways.
- 3) The Department explained that the additional safety requirements (pilot vehicle, restricted driver's license, additional passenger responsibilities, and other new safety mandates) are designed for companies who have hired a handicapped person to directly operate and test their autonomous/automated vehicle. The company we have

- partnered with already have many of the safety features in their vehicle, and the Department has added a few more to protect all parties. The existing and future companies who apply for an autonomous test license would not be subject to the new safety requirements unless their driver was a handicapped individual.
- 4) The Department realized early on that this new technology must have unique safety features built into regulations in order for testing to be made available. The company the Department is partnering with already has within their test vehicle the ability for the passenger in the front seat to take complete and full control of the vehicle in case the handicapped driver could no longer safely operate the vehicle. Due to the type of technology this particular company has, this safety feature is needed within the regulations. In addition, the Department wanted to incorporate a secondary requirement to ensure our citizens safety. We created the "pilot vehicle" safety requirement. This mandates that the pilot vehicle must be directly in front of the test vehicle at all times, and if another vehicle maneuvers between the pilot vehicle and the test vehicle, the operator of the test vehicle must pull over to the side of the road or the front passenger must disengage the system and take control of the car. This provides a secondary safety feature to protect all parties.

Mr. Augustine did testify at the public hearing on May 4th and restated his concerns. The Department did further explain during the hearing the intent and reason for the new language.

In discussions with Mr. Augustine, Mr. Alonso and Mr. Good after the hearing we all agreed that the way in which the regulations were formatted created some confusion. They understood the Departments intent and shared in the excitment about the new technology and Nevada's willingness to work with industry. The Department did convey that they would review the regulations to see if the format could be changed quickly.

After the Departments internal review, we made the discussion to not change the format at this time, but will update our DMV Autonomous website (http://dmvnv.com/autonomous.htm) to make sure that any company seeking a test license will understand what the new rules are and when they would apply to a company (only with a handicapped test driver). The Department is planning to submit an additional regulatory change prior to July, and we will deal with the formatting as one of the changes in the proposal.

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

The Department believes that we have dealt with the initial concerns of the industry and plan to modify the format and definitions in the near future. If the proposed regulations are not adopted, we will not be able to move forward with the company we have partnered with to introduce this new technology to the nation and world. As well, we will not have the authority or additional safety requirements to eventually approve an autonomous testing license for this company.

The Department of Motor Vehicles is currently working with GOED's - Nevada Center for Advanced Mobility, Dept. of Transportation, Dept. of Public Safety, the Governor's Office and the company who created this technology to formally coordinate a major media event at the end of September. If the regulations are not adopted – all of this will not be able to move forward.

(g) 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:

Business:

- (1) Both adverse and beneficial effects; and No adverse economic effect to businesses.
- (2) Both immediate and long-term effects.

No immediate beneficial effects to businesses, but if the companies technology is partnered with an automobile manufacturer in the future, the economic effects for businesses will be great. The applications this technology has for the handicapped community is fantastic. This will also provide a bridge for those, like our military, who have suffered an injury and cannot drive today. This will allow the person to have the freedom to drive on his/her own accord and that is priceless.

Public:

(1) Both adverse and beneficial effects; and

No immediate economic effects to the public. If the technology is introduced in the future to the public, the cost may be initially high but should reduce as this technology increases within the public.

(2) Both immediate and long-term effects.

No immediate benefits to the public, but if this technology is made available to the public in the future, this will provide a bridge for our handicapped community and those, like our military, who have suffered an injury which prohibits them from driving today. This technology will allow the person to have the freedom to drive on his/her own accord and that is success at many levels.

(h) The estimated cost to the agency for enforcement of the adopted regulation.

There is no additional cost to the agency for enforcement.

(i) 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.

There are no other state or federal government agency regulations that are duplicated or overlapped by the adopted regulations.

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

The federal government does not currently have rules for this technology, and Nevada is again a pioneer in this area.

(k) 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.

There are no fees associated with the proposed regulatory changes.