

**SMALL BUSINESS IMPACT STATEMENT AS REQUIRED BY
NRS 233B.0608/233B.0609**

LCB File No. R134-15

1. A description of the manner in which comment was solicited from affected small businesses, a summary of their response and an explanation of the manner in which other interested persons may obtain a copy of the summary.

Comments were solicited using electronic mail and postings 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 from the Nevada Trucking Association 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 the Auto Alliance Group with an attached written comment from his colleague Mr. Curt Augustine. Mr. Augustine's 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.

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 after the hearing with Mr. Augustine, Mr. Alonso from the Auto Alliance Group and Mr. Ross Good who represents Fiat Chrysler Automobiles, it was agreed that the way in which the regulations were arranged within the existing language created some confusion. They understood the Department's intent and shared in the excitement about the new technology and Nevada's willingness to work with industry. The Department did convey that we would review the regulations to determine if the new requirements could be rearranged and separated from current administrative language in order to reduce confusion.

After the Department's internal review, we made the decision to not reorganize and separate the new language at this time, but will update our DMV Autonomous website (<http://dmvnv.com/autonomous.htm>) and test application packet to ensure 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). When the Department submits an additional regulatory change in the near future for autonomous vehicle consumer revisions, we will work to arrange the testing portion of the regulations to provide clarity.

2. The manner in which the analysis was conducted, including the methods used to determine the impacts of the proposed regulation on small business.

The proposed regulations were created from various meetings with industry representatives who have this unique technology. Their input and existing safety features provided a great foundation, and opened the door for the additional requirements that were agreed upon.

The amended language only impacts a business that decides to apply for an autonomous test license with a test driver who is handicapped and does not have a valid driver's license due to his/her disability. The business would be required to implement the additional test safety requirements in order to operate their autonomous vehicle safely on our highway. The new language would not indirectly impact any other businesses within the State of Nevada.

3. The estimated economic effect of the proposed regulation on the small businesses which it is to regulate, including, without limitation:

(a) Both adverse and beneficial effects; and

(Adverse effects)

If a company chooses to apply for an autonomous testing license and has a handicapped test driver, it could cause some adversity for the business to modify their test vehicle to ensure the front passenger has the ability to take full and complete control of the vehicle. As well, they may be economically effected by the requirement to have a pilot car in front of the test vehicle since it could cause additional expense to the company.

(Beneficial effects)

No economic benefits to the company.

(b) Both direct and indirect effects.

(Direct effects)

The additional safety requirements will have a direct effect on the business who chooses to have a handicapped test driver operating their autonomous vehicle. Those effects are stated in the "adverse effects" section above.

(Indirect effects)

No indirect economic effects.

4. A description of the methods that the agency considered to reduce the impact of the proposed regulation on small businesses and a statement regarding whether the agency actually used any of those methods.

The Department worked directly with the company who has this unique technology to discuss and agree upon the additional safety requirements. The Department does not know of any other company with this technology allowing for a handicapped driver to operate a vehicle in this manner. Many of the proposed safety requirements were already part of the companies test vehicle, and the additional non-technical safety rules were fully supported by all.

As for companies outside of this autonomous testing program, there are no economic impacts.

5. The estimated cost to the agency for enforcement of the proposed regulation.

There is no additional cost to the agency for enforcement.

6. If the proposed 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.

No new or increased fees proposed.


7. If the proposed regulation includes provisions which duplicate or are more stringent than federal, state or local standards regulating the same activity, an explanation of why such duplicative or more stringent provisions are necessary.


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

8. The reasons for the conclusion of the agency regarding the impact of a regulation on small businesses.

The proposed regulations target autonomous or advanced automated vehicle systems that would allow for a handicapped driver to operate a test vehicle on our highways. The additional safety requirements proposed will only impact the company who has a handicapped test driver and applies for an autonomous test license with the Department. With a handicapped test driver, the company will be directly impacted economically due to the cost to retrofit their vehicle to meet the safety requirements and ensure a pilot vehicle is always in front of the test car while on the road. This approach is supported by the company the Department has been working with and trusts the safety rules will be adequate for any future company who wishes to use a handicapped driver to operate their test vehicles on our highways.

I hereby certify to the best of my knowledge or belief a concerted effort was made to determine the impact of the proposed regulation on small businesses and that this statement was properly prepared and the information contained herein is accurate.


Terri Albertson, Director


Date

R134-15: Small Business Statement
NRS 233B.0608/233B.0609
May, 2016