

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

1. 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 excitement 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://dmvnev.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.