

**LEGISLATIVE REVIEW OF ADOPTED REGULATIONS-NRS 233B.066**  
**Informational Statement**  
**LCB File No. T001-14**

**1. A clear and concise explanation of the need for the adopted regulation.**

Proposed Regulation NAC 408.350 is needed to amend the requirements for Commercial Electronic Variable Message Signs (CEVMS) including trivision signs and digital billboard signs; the proposed revisions include content, movement and appearance during static displays, display time and change intervals on trivision signs, operating and monitoring systems to address the displays in the event of a malfunction, and brightness of billboards as ambient light conditions change.

This proposed regulation change was prompted by the passage of Assembly Bill No. 305 during the 77<sup>th</sup> Legislative Session which amended NRS 410.400 to add a definition for “commercial electronic variable message signs” and to prescribe regulation governing the issuance of permits and to specify the operational requirements for these signs.

**2. Description of how public comment was solicited, as summary of public response, And an Explanation of how other interested person may obtain a copy of the summary.**

(a) Copies of the proposed regulation, notice of intent to act upon a regulation and notice of workshop and hearing were sent by US mail email to persons who were known to have an interest in the subjects of noticing or who specifically requested said noticing and information. These documents were also made available at the website of the Nevada Department of Transportation, [www.nevadadot.com](http://www.nevadadot.com), and were posted in the following offices of the Nevada Department of Transportation as follows:

Nevada Department of Transportation,  
District I Office,  
123 E. Washington Ave,  
Las Vegas, NV 89125,

Nevada Department of Transportation,  
District II Office,  
310 Galletti Way,  
Sparks, NV 89431

Nevada Department of Transportation,  
District III Office,  
1951 Idaho St.  
Elko, NV 89801

Nevada Department of Transportation,  
Headquarters  
1263 S. Stewart Street,  
Carson City, NV 89712

Nevada Department of Transportation,  
Tonopah Maintenance Station,  
805 Erie Main,  
Tonopah, NV 89049

Nevada Department of Transportation,  
Winnemucca Maintenance Station  
25 West 4<sup>th</sup> St.  
Winnemucca, NV 89446

Nevada Department of Transportation,  
Ely Maintenance Station  
1401 Ave. F  
Ely, NV 89301

**And posted at the following locations:**

Washoe County Courthouse  
75 Court St.  
Reno, NV 89520

Clark County Courthouse  
200 S. Third St.  
Las Vegas, NV 89155

Grant Sawyer State Office Building  
555 E. Washington Ave.  
Las Vegas, NV 89101

Nevada State Library  
100 S. Stewart St.  
Carson City, NV 89712

Public Meetings and Workshops were held in Nevada on: May 13, 2014 in Sparks with videoconferencing to Elk, Ely and Winnemucca (persons were present at all sites); May 21, 2014 in Las Vegas; October 6, 2015 in Sparks with videoconferencing to Elko; October 27, 2015 in Las Vegas; and on April 21, 2016 in Carson City with videoconferencing to Las Vegas and Elko.

**(b) Public Comment**

- a. On May 13, 2014, public comments were provided in Sparks NV
  - i. Commenter pointed out that NRS already allows for the permitting of these signs and that the proposed changes were providing stricter operating parameters.
  - ii. Commenter stated that the group she was representing was in opposition of the proposed CEVMS regulation for the following reasons:

1. Billboard are a visual blight.
  2. Billboards create a safety hazard due to driver distraction.
  3. Digital billboards waste energy.
  4. There could be a cost to the tax payer should a digital billboard be removed due to a highway project.
  5. Commenter has concerns over violations of the Highway Beautification Act due to intermittent lighting as a result of the message changing every six to eight seconds.
  6. Possibility of light pollution due to bright lights shining outward and allowing light levels that are too high. Commenter requested a limit of 100 nits.
  7. Requested dual permitting from local and state agencies.
  8. Requested most restrictive ordinances apply.
  9. Requested that nonconforming billboards not be allowed to convert to digital billboard.
  10. Requested that NDOT require that a billboard permit applicant be required to waive claims to lost add revenue in the event of a public road project that requires removal of a digital billboard.
  11. Limit the sign size to 672 square feet.
- b. On May 21, 2014, public comments were provided in Las Vegas:
- i. Commenter requested adoption of the most restrictive regulations possible.
  - ii. Commenter objected to digital billboards as they are visual light and obstruct the views of Nevada scenery, are distracting, use too much energy, create a safety hazard due to distracted driving, costs the tax payer when they must be removed for a roadway project.
  - iii. Commenter made the following suggestions
    1. Limit digital billboards to the boundaries of incorporated cities and towns.
    2. Require dual permitting.
    3. Only legally conforming billboard be allowed to convert.
    4. Don't have a "one size fit all" regulation.
    5. Limit nighttime brightness to 100 nits.
    6. Limit size to 262 square feet.
    7. Require a separation distance of 1,500 feet on both sides of the highway.
    8. Require an eight second dwell time with a 1 second change time.
- c. On October 6, 2015, public comments were provided in Sparks:
- i. Commenter from Scenic Nevada requested that:
    1. Require that NDOT not issue new permits for digital billboards unless it is first approved by the local jurisdiction.
    2. Prohibit the conversion of legal nonconforming billboards.
    3. Require dwell times of at least 10 seconds.
    4. Add "whichever is less: to this sentence "sign brightness not exceed 0.3 foot-candles above the ambient light or the value of 250 nits".
    5. Limit sign size to 672 square feet.
    6. Require a 1000 foot spacing between signs.

7. Require that the most restrictive regulations apply where local and state rules are different.
  8. Do not allow conversions unless billboards are brought up to full conformance with state and local regulations.
  9. Do not allow a permit for “grandfathered status” signs on State land.
  10. Requested that language be added to protect the taxpayers against paying to remove signs in the way of a road improvement project.
- ii. Commenter concerned that there is no specific requirement under this NAC for local jurisdiction review and approval.
  - iii. Commenter requested that the code uses Scenic Nevada alternatives
  - iv. Commenter stated for consistency the nit level should be 350 rather than 250 because it is commensurate with the 0.3 foot-candle ambient light measure.
  - v. Commenter in support of draft
  - vi. Commenter requesting maximum nit level be 350 rather than 250.
  - vii. Commenter concerned about item 3 that light level “does not impair the vision of the driver”.
  - viii. Commenter concerned about item 3(f) regarding recommended measurement methodologies.
  - ix. Commenter wanting to know why item 2, section 3 wording changed from “cause” to “constitute”.
  - x. Commenter concerned about dwell time and safety.
  - xi. Commenter wanted only nit measurements.
- d. On October 27, 2015, public comment was provided in Las Vegas
- i. Commenter in opposition of the proposed changes and preferred to go back to the first draft
  - ii. Commenter with the following request:
    1. New State permits are only allowed if permitted first by the local jurisdiction where applicable.
    2. The most restrictive regulations should apply where local and State rules are different.
    3. Conversion of all nonconforming billboards be prohibited.
    4. Dwell time should be at least 10 seconds.
    5. Add “whichever is less” to the sentence “No sign may exceed .3 foot-candle over ambient illuminated environment in the immediate vicinity of the sign or the value of 250 nits”.
    6. That spacing between digital billboards be 1,000 feet apart.
    7. That sign size should be limited to 672 square feet.
    8. Signs should be limited to 30 feet tall.
    9. Ask that the sentence “If the foot candle reading exceeds three-tenths foot-candles maximum, then the nighttime luminance shall not exceed 250 nits, which may be measured with a nit gun or a luminance meter that can read to the accuracy of 5 nits.” to include “above the ambient light” and “whichever is less”.
    10. Requested that the sentence “To ensure the proper measurement of a digital billboard using nits, the user should measure from a location that is as close to perpendicular, both horizontally and

vertically as possible, due to the LED light output pattern decreasing dramatically from the perpendicular position to off angles” be removed.

11. Requested the sign should be 172 square feet.

- iii. Commenter requested that paragraph 3 (e) should use 2 hours after sunset rather than 30 minutes after sunset.
- iv. Commenter wished to have light levels measure from the source using a nit gun.
- e. On April 21, 2016, public comment was provided in Carson City and Las Vegas
  - i. Commenter requested that interactive signs not be allowed by including “Signs shall not include any device or technology to scan, track, photograph, collect, compile or record information about vehicles or passengers on the public roadway, and any use of any sign to collect such information is prohibited.”
  - ii. Commenter requested the following be included:
    - 1. That the most restrictive regulations apply where local and state rules are different.
    - 2. Sign spacing should be at least a thousand feet apart.
    - 3. Sign size should be limited to 672 square feet.
    - 4. Height should be limited to 30 feet.
    - 5. New NDOT billboard permits should only be issued after a local permit is issued.
    - 6. Dwell time of 10 seconds.
    - 7. Requested that the words “whichever is less” be added to the sentence “no sign may exceed .3 foot-candles above the ambient illuminated environment in the immediate vicinity of the sign, or the value of 250 nits”.
    - 8. Remove paragraphs pertaining to illumination and go with something simple such as a nit gun.
  - iii. Commenter stated that Clear Channel is in support of the regulations as written.
  - iv. Commenter stated that Lamar is in support of the regulations.
  - v. Commenter stated that Clear Channel is in support of the regulations and request that it be adopted as provided.
  - vi. Commenter stated that Prismview is in support of the draft as presented.
- (c) Copies of the transcripts/or recordings of the proceedings are available for review at the offices of the Right-of-Way Division of NDOT, 1263 S. Stewart Street, Carson City, Nevada, 89712.

### **3. The number of persons who:**

(a) Attended each hearing/workshop:

- a. May 13, 2014, 4 attendees from the public in Sparks, unknown number of attendees in Elko, Ely and Winnemucca; 4 attendees from NDOT
- b. May 21, 2014, Las Vegas – 4 attendees from the public, 4 attendees from NDOT
- c. October 6, 2015, Sparks – Public: 7 ; NDOT: 3
- d. October 27, 2015, Las Vegas – Public: 12 (8 in Las Vegas, 4 in Carson City 4); NDOT: 3, 1 representative from the Governor’s office

- e. April 21, 2016, Carson City - Public: 19 (14 in Carson City; 5 in Las Vegas);  
NDOT: 8

**(b) Testified at each hearing/workshop:**

- a. May 13, 2014, 4 attendees in Sparks,
- b. May 21, 2014, Las Vegas – 4 attendees
- c. October 6, 2015, Sparks – 7 speaking attendees
- d. October 27, 2015, Las Vegas – 8 attendees, Videoconference 4
- e. April 21, 2016, Carson City - Las Vegas – 7, Videoconference 1

**(c) Submitted to agency written comments:**

- a. May 21, 2015
  - i. Letter from Susan Holshouser, Clear Channel d to Jerry M. Hoover dated May 20, 2014
  - ii. Letter from Lori Wray, Scenic Nevada to Jerry M. Hoover dated May 20, 2014.
- b. October 6, 2015, two letters submitted
  - i. Written comment from Lamar Advertising Company (3 pages)
  - ii. Written comment from Scenic Nevada (13 pages)
  - iii. Written comment from Clear Channel (4 pages)
- c. October 27, 2015, Las Vegas - none
- d. April 21, 2016, Carson City, comment, copies of photographs, two letters
  - i. Written comment from Mark Wray dated April 21, 2016
  - ii. Copies of photographs from Clear Channel (10 pages)
  - iii. Two letters, each dated April 21, 2016 to Jerry Hoover at NDOT from Lori Wray, Director, Scenic Nevada, with attached Compendium of Recent Research Studies on Distraction from Commercial Electronic Variable Message Signs (CEVMS) (42 pages total)

**4. For each person identified in paragraphs (b) and (c) of number 3 above, the following information if provided to the agency conducting the hearing:**

**(a) May 13, 2014**

- a. Names of public speaking attendees:
  - i. Aaron West, Clear Channel
  - ii. Chris Barrett  
Barrett Resources  
Clear Channel
  - iii. Lori Wray  
608 Lander St., Reno, NV 89509  
(775)348-8877  
[lwray@markwraylaw.com](mailto:lwray@markwraylaw.com)  
Scenic Nevada
  - iv. Dessie Redmond, Storey County

**(b) May 21, 2014,**

- a. Name of public attendees:
  - i. Mark Wray  
608 Lander St., Reno, NV 89509  
[mwray@markwraylaw.com](mailto:mwray@markwraylaw.com)  
Scenic Nevada
  - ii. Lori Wray

608 Lander St., Reno, NV 89509  
(775)348-8877  
[lwrap@markwraylaw.com](mailto:lwrap@markwraylaw.com)  
Scenic Nevada

(c) October 6, 2014

a. Name of public attendees:

- i. Lori Wray  
608 Lander St., Reno, NV 89509  
(775)348-8877  
[mrray@markwraylaw.com](mailto:mrray@markwraylaw.com)  
Scenic Nevada
- ii. John Hara  
65 Woodchuck Ct., Reno Nevada  
(775)830-0751  
[harafx@sbcglobal.net](mailto:harafx@sbcglobal.net)  
Scenic Nevada
- iii. Berry Hall  
1990 Ives Ave., Reno, NV  
(408)316-9397  
[rbhberry@yahoo.com](mailto:rbhberry@yahoo.com)  
Scenic Nevada
- iv. Karen Melby, City of Sparks
- v. Chris Barrett  
Barrett Resources  
Clear Channel Outdoor
- vi. Shelly J. Capurro, Kaempfer Crowell  
50 W. Liberty, Reno, NV  
(775)722-1986  
[scapurro@kcnvlaw.com](mailto:scapurro@kcnvlaw.com)  
Lamar Outdoor Advertising
- vii. Jared Johnson, YESCO Electronics  
998 B. 5100 S., Ogdon, UT 84405  
(801)430-3492  
[jjohndon@prismview.com](mailto:jjohndon@prismview.com)  
YESCO Electronics

(d) October 27, 2014

a. Public attendees who testified:

- i. Jennifer Lazovich, Kaempfer Crowell  
1980 Festival Plaza Ste. 650, Las Vegas, NV  
(702)792-7000  
[jlzovich@kcnvlaw.com](mailto:jlzovich@kcnvlaw.com)  
Lamar Advertising
- ii. Jared Johnson  
998 B. 5100 S., Ogdon, UT 84405  
(801)430-3492  
[jjohndon@prismview.com](mailto:jjohndon@prismview.com)  
YESCO Electronics
- iii. Lori Wray

608 Lander St., Reno, NV 89509  
(775)348-8877

[lwrap@markwraylaw.com](mailto:lwrap@markwraylaw.com)

Scenic Nevada

- iv. Mark Wray  
608 Lander St., Reno, NV 89509  
[mwrap@markwraylaw.com](mailto:mwrap@markwraylaw.com)  
Scenic Nevada

- v. John Hara  
65 Woodchuck Ct., Reno Nevada  
(775)830-0751  
[harafx@sbcglobal.net](mailto:harafx@sbcglobal.net)  
Scenic Nevada

(e) April 21, 2016

a. Public attendees who testified:

- i. Lori Wray  
608 Lander St., Reno, NV 89509  
(775)348-8877  
[lwrap@markwraylaw.com](mailto:lwrap@markwraylaw.com)  
Scenic Nevada
- ii. Mark Wray  
608 Lander St., Reno, NV 89509  
[mwrap@markwraylaw.com](mailto:mwrap@markwraylaw.com)  
Scenic Nevada
- iii. John Hara  
65 Woodchuck Ct., Reno Nevada  
(775)830-0751  
[harafx@sbcglobal.net](mailto:harafx@sbcglobal.net)  
Scenic Nevada
- iv. Berry Hall  
1990 Ives Ave., Reno, NV  
(408)316-9397  
[rbhberry@yahoo.com](mailto:rbhberry@yahoo.com)  
Scenic Nevada
- v. Jared Johnson  
998 B. 5100 S., Ogdon, UT 84405  
(801)430-3492  
[jjohndon@prismview.com](mailto:jjohndon@prismview.com)  
Prismview
- vi. Jennifer Lazovich, Kaempfer Crowell  
1980 Festival Plaza Ste. 650, Las Vegas, NV  
(702)792-7000  
[jlzovich@kcnvlaw.com](mailto:jlzovich@kcnvlaw.com)  
Lamar Advertising
- vii. Lou Musica  
5333 Old Winter Garden Rd., Orlando, FL  
(321)445-2651  
[loumusica@clearchannel.com](mailto:loumusica@clearchannel.com)

Clear Channel Outdoor  
viii. Patrick Smith  
9811 W. Charleston Blvd. #2-858, Las Vegas, NV 89117  
(702)581-6201  
Clear Channel Outdoor

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

This regulation governs activities between the Department of Transportation and the billboard industry as it sets regulations pertaining to Commercial Electronic Variable Message Signs (CEVMS). Comments were solicited from affected businesses in the same manner as they were solicited from the public. In addition to the public workshops, NDOT's core team members held several informal meetings with both the billboard industry and concerned citizens. Comments were focused on change time, brightness levels, conversion of existing billboard and compliance with local requirements. Any person wishing to view the summary of any public comment are provided this opportunity as mentioned in item 2(c).

**6. 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 State of Nevada Transportation Board approved the proposed regulation as presented at the September 12, 2016 transportation board meeting. The reason for adopting the regulation without changes was that NDOT worked with both Scenic Nevada and the billboard industry to find a compromise in the proposed regulation that satisfied all parties. The following are the issues raised at public workshops and resolution to those issues:

Brightness: Scenic Nevada asked to include the words "whichever is less" under the nighttime brightness regulation. The Department worked to craft language which sets different lighting levels for different areas of the State based on population. The billboard industry opposed the "whichever is less" due to consistency issues and billboards being too dim to read in areas with high ambient light.

The proposed maximum nighttime brightness level for counties whose populations are less than one million is 0.3 foot candles or 250 nits.

For those counties with a population base of greater than one million, the Department has proposed a maximum nighttime brightness of 350 nits. The billboard industry has stated that this level of nighttime brightness is sufficient to overcome high levels of ambient light.

Please note, that the proposed NAC requires and digital billboards have dimming software that continually adjusts the brightness based on the surrounding ambient light. Both the light sensors and dimming software are required to be on these billboards under the proposed regulation. Many hours were spent reviewing this proposed language and compromises were made on both side.

Safety – There are a number of studies addressing safety. At this time there is no conclusive evidence that regulated digital billboards have a negative impact on driver safety according to a FHWA report dated December 30, 2013 (titled The Possible Effects

of Commercial Electronic Variable Message Signs (CEVMS) on Driver Attention and Distraction). Based on information available to date, NDOT is confident that public safety will not be compromised as a result of these proposed additions to NAC 410.

Applying the most restrictive regulations:

Both the billboard industry and Scenic Nevada have expressed the importance of complying with local jurisdiction codes and regulations. NDOT could not agree more. To that end, NDOT's Terms and Conditions Relating to Right-of-Way Occupancy Permits requires approval from other public agencies in the form of any and all permits required by Federal and State law or local ordinances. NDOT's sign permit application requires a Zoning Affidavit which includes a statement that the sign complies with all local requirements including all variances and use permits. The most restrictive code and regulations apply. NDOT's permit is not issued until documentation of local jurisdiction approval is provided.

Conversions: Scenic Nevada is especially concerned about disallowing the conversion of non-conforming billboards. The billboard industry is also concerned about this issue as all billboard signs in the Las Vegas area are legal non-conforming billboards. To accommodate the concerns of both groups, and the desire to be in compliance with the Highway Beautification Act, the proposed language was extensively discussed and carefully reviewed. It allows for the conversion of *legal* non-conforming billboards as identified by local law only. Paragraph 3(i)(1) clarifies that NDOT will allow a locally deemed non-conforming sign to be converted only if it has been approved by the local jurisdiction. This is of importance because a legal non-conforming billboard is allowed to exist because it has been grandfathered in by some ordinance and will not be allowed to convert, by NDOT, unless it is conforming in other respects.

Static Display Time

Reports show static display times vary between 2-10 seconds with an average setting static display time of 7.4 seconds. The 2007 FHWA memo addressing digital billboards recommends a setting static display duration between 4 and 10 seconds. Static display times for States with specific regulations addressing this are:

4 States have 4 seconds; 1 has 5 seconds; 12 have 6 seconds; 19 have 8 seconds; 5 have 10 seconds; and 3 allow for discretion of the state or company. NAC currently allows a 6 second static display time.

Scenic Nevada would prefer a static display time of 10 seconds due to the possibility of safety concerns posed by driver distraction. However, the literature on driver safety in relation to digital billboards does not support a clear link between increased safety when static display times are increased from 6 to 10 seconds. Additionally, the team was informed that changing the static display time could have an economic impact as the advertiser renting the billboard signed a contract stating how often their message would be seen. However, this is mainly an issue in southern Nevada as the local jurisdictions in northern Nevada have set static display times at eight seconds.

In an effort to compromise, NDOT is recommending that static display times vary depending on the level of County population, as was proposed for brightness levels. For those counties with a population under one million, the static display time will be 8 seconds; for counties with a population over one million, the static display time will be 6 seconds.

Both Scenic Nevada and the billboard industry has agreed to this change.

#### Spacing

This regulation allows spacing of no less than 500 feet between digital billboards on any State or Interstate route. Local jurisdictions often have more restrictive spacing requirements. NDOT defers to the most restrictive requirements. The proposed regulations are more restrictive than NAC 410.340 which allows closer spacing for signs along non-freeway primary highways. 25 of 43 regulating states, or 58%, have the 500-foot spacing requirement for CEVMS

#### Sign Size

NAC 410.330 regulates sign size limitations to a board face of 1,200 square feet. There is nothing in the NAC 410 restricting the height of a billboard pole. This will be left to the local jurisdictions as the needs throughout the State vary greatly depending on location, terrain and surrounding improvements.

#### Data Mining

Data Mining is not restricted to digital billboards and should be addressed under a separate assembly bill amendment.

#### Malfunction setting

Under these proposed regulations, should a malfunction occur the sign will be programmed to turn off, go completely black or freeze on the displayed image.

**7. The estimated economic effect of the regulation on the business which it is to regulate and on the public.**

There is no anticipated negative economic effect to the billboard industry. There could be a positive economic effect, however, when static billboards are converted to digital billboards.

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

The costs associate with enforcement will be the cost for staff time. This will be included in the annual salary of those responsible for inspecting the nighttime brightness levels of permitted CEVM billboards. There will be equipment costs associated with the purchase and maintenance of light measurement devices. This is estimated to be \$4,000 to \$6,000 per unit per district for an estimated cost of \$18,000 per year.

**9. A description of any regulation of other State or governmental agencies which the regulation overlaps or duplicates and a statement explaining why the duplication or overlap is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.**

This regulation does not overlap or duplicate any other regulations of the State or federal regulation. Local jurisdictions have codes regulating billboards.

The State Legislature created NRS Chapter 410 Beautification of Highways, which established a statutory basis for the regulation and control of Off-premise Outdoor Advertising and Junkyards. With the creation of NRS Chapter 410, Nevada was consistent

with the Federal Highway Beautification Act. These statutes provided a basis for NAC Chapter 410. State law and federal regulation requires a permit for any off-premise advertising sign, commonly referred to as a Billboard, which is located within 660-feet of any Interstate and Primary Highway System and is readable from the main travel way of the highway. These regulations cover all Interstate, US routes and some State Routes. The Federal Code of Regulation over outdoor advertising does not include specific regulations pertaining to digital billboards.

This regulation change came about as a result of the passage of Assembly Bill 305, during the 2013 legislative session. AB 305 amended NRS 410.350 to require the Transportation Board of Directors to establish regulations specific to commercial electronic variable message signs, which I will refer to as CEVMS. The bill also established a definition for these types of signs.

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

There are no federal regulation specific to digital billboard lighting, spacing, size or static display times. The State regulations pertaining to Beautification of Highways is in line with Title 23 USC Chapter 1, Section 103(b).

**11. 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 is an \$800 permit fee charged for the conversion of billboards from static display to a digital display which cover the Department's costs of administration and regulation of the signage.

**12. If the proposed regulation is likely to impose a direct and significant burden upon a small business or directly restrict the formation, operation, or expansion of a small business, what methods did the agency use in determining the impact of the regulation on small businesses?**

These regulations have no impact on small businesses.

## **Small Business Impact Statement**

The Nevada Department of Transportation determined prior to holding public meetings, that changes in the regulation would not impose a direct and significant economic burden upon small businesses nor would directly restrict the formation, operation or expansion of a small business.

1) NDOT personnel pulled information pertaining to billboard companies that would be impacted by the changes in regulation. Using that information, the companies were contacted by telephone and surveyed as to how their businesses would be impacted by the change in regulations. All responses were that there would be no impact to their business. Persons interested in obtaining a copy of the summary may contact the Nevada Department of Transportation's Right of Way Division.

2) None.

3) None.

4) The Department anticipates a cost of \$800.00 per billboard to enforce this proposed regulation.

5) The proposed regulation increases the fee to modify a permit to allow an existing billboard to convert to a commercial electronic variable message sign from \$150.00 to \$800.00.

6) NDOT permits 1,118 billboards. NDOT has not placed restrictions on the billboard industry for conversion of traditional billboards to commercial electronic variable message signs (CEVMS). To date, the industry has converted those board to CEVMS where practical and allowed under local regulations. Accounting for changes in the market, it is anticipated that additional conversions may take place in Washoe County. Currently 5.6% of the existing billboards regulated by NDOT have been converted. Based on the current low conversion rate, it is anticipated that approximately 5 may be converted in the future. With the conversion fee being \$800 per board, the State will realize a one-time fee of \$4,000 for these conversions. There is no "annual" collection of fees associated with this proposed regulation. All money collected goes into the State highway fund pay for inspections, programs and projects that the Department is obligated to perform.