## LEGISLATURE OF NEBRASKA ONE HUNDRED FIFTH LEGISLATURE

SECOND SESSION

## **LEGISLATIVE BILL 1122**

Introduced by Larson, 40.

Read first time January 18, 2018

Committee: Transportation and Telecommunications

- 1 A BILL FOR AN ACT relating to motor vehicles; to amend section 60-601,
- 2 Revised Statutes Cumulative Supplement, 2016; to authorize the
- 3 testing of automated motor vehicles as prescribed; to define terms;
- 4 to harmonize provisions; and to repeal the original section.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 60-601, Revised Statutes Cumulative Supplement,

- 2 2016, is amended to read:
- 3 60-601 Sections 60-601 to 60-6,383 and sections 2 to 7 of this act
- shall be known and may be cited as the Nebraska Rules of the Road. 4
- Sec. 2. For purposes of sections 2 to 7 of this act: 5
- 6 (1) Automated driving system means hardware and software that are
- 7 collectively capable of performing all aspects of the dynamic driving
- task for a motor vehicle on a part-time or full-time basis without any 8
- supervision by a human operator. As used in this subdivision, dynamic 9
- 10 driving task means all of the following, but does not include strategic
- aspects of a driving task, including, but not limited to, determining 11
- 12 destinations or waypoints:
- (a) Operational aspects, including, but not limited to, steering, 13
- braking, accelerating, and monitoring the vehicle and the roadway; and 14
- 15 (b) Tactical aspects, including, but not limited to, responding to
- events, determining when to change lanes, turning, using signals, and 16
- 17 other related actions;
- (2) Automated motor vehicle means a motor vehicle on which an 18
- automated driving system has been installed, either by a manufacturer of 19
- automated driving systems or an upfitter that enables the motor vehicle 20
- 21 to be operated without any control or monitoring by a human operator.
- 22 Automated motor vehicle does not include a motor vehicle enabled with one
- or more active safety systems or operator assistance systems, including, 23
- 24 but not limited to, a system to provide electronic blind spot assistance,
- 25 crash avoidance, emergency braking, parking assistance, adaptive cruise
- control, lane-keeping assistance, lane departure warning, or traffic jam 26
- 27 and queuing assistance, unless one or more of these technologies alone or
- in combination with other systems enable the motor vehicle on which any 28
- active safety systems or operator assistance systems are installed to 29
- operate without any control or monitoring by an operator; 30
- (3) Automated technology means technology installed on a motor 31

1 vehicle that has the capability to assist, make decisions for, or replace

- 2 a human operator;
- 3 (4) Automatic crash notification technology means a motor vehicle
- 4 service that integrates wireless communications and motor vehicle
- 5 location technology to determine the need for or to facilitate emergency
- 6 medical response in the event of a motor vehicle crash;
- 7 <u>(5) Manufacturer of automated driving systems means a manufacturer</u>
- 8 <u>or subcomponent system producer that develops or produces automated</u>
- 9 driving systems or automated motor vehicles;
- 10 (6) Mobility research center means a nonprofit entity that has the
- 11 <u>ability to receive and accept from any federal, state, or municipal</u>
- 12 agency, foundation, public or private agency, entity, or individual a
- 13 grant, contribution, or loan for or in aid of the planning, construction,
- 14 operation, upgrade, or financing of a facility for testing advanced
- 15 transportation systems, including, but not limited to, connected or
- 16 automated technology or automated motor vehicles to increase mobility
- 17 options;
- 18 (7) Motor vehicle manufacturer means a person that has manufactured
- 19 and distributed motor vehicles in the United States that are certified to
- 20 comply with all applicable federal motor vehicle safety standards and
- 21 that has submitted appropriate manufacturer identification information to
- 22 the National Highway Traffic Safety Administration as provided in 49
- 23 C.F.R. part 566, as such regulation existed on January 1, 2018. As used
- 24 in this section and sections 5 and 6 of this act only, motor vehicle
- 25 manufacturer also includes a person that satisfies all of the following:
- 26 (a) The person has manufactured automated motor vehicles in the
- 27 United States that are certified to comply with all applicable federal
- 28 motor vehicle safety standards;
- 29 (b) The person has operated automated motor vehicles using a test
- 30 driver and with an automated driving system engaged on public roads in
- 31 the United States for at least one million miles; and

- 1 (c) The person has obtained an instrument of insurance, surety bond,
- 2 or proof of self-insurance in the amount of at least ten million dollars,
- 3 and has provided evidence of that insurance, surety bond, or self-
- 4 insurance to the Department of Motor Vehicles in a form and manner
- 5 required by the department;
- 6 (8) On-demand automated motor vehicle network means a digital
- 7 network or software application used to connect passengers to automated
- 8 motor vehicles, not including commercial motor vehicles, in participating
- 9 fleets for transportation between points chosen by passengers or for
- 10 transportation between locations chosen by the passenger when the
- 11 automated motor vehicle is operated by the automated driving system;
- 12 <u>(9) Participating fleet means any of the following:</u>
- 13 (a) Motor vehicles that are equipped with automated driving systems
- 14 that are operating on the public roads and highways of this state in a
- 15 SAVE project as provided in section 6 of this act; or
- 16 (b) Motor vehicles that are supplied or controlled by a motor
- 17 vehicle manufacturer, and that are equipped with automated driving
- 18 systems that are operating on the public roads and highways of this state
- in an on-demand automated motor vehicle network;
- 20 (10) Platoon means a group of individual motor vehicles that are
- 21 traveling in a unified manner at electronically coordinated speeds;
- 22 (11) SAVE project means an initiative that authorizes eligible motor
- 23 vehicle manufacturers to make available to the public on-demand automated
- 24 motor vehicle networks as provided in section 6 of this act; and
- 25 (12) Upfitter means a person that modifies a motor vehicle after it
- 26 was manufactured by installing an automated driving system in that motor
- 27 <u>vehicle to convert it to an automated motor vehicle. Upfitter includes a</u>
- 28 <u>subcomponent system producer that develops or produces automated driving</u>
- 29 <u>systems</u>.
- 30 Sec. 3. (1) As provided in this act, an on-demand automated motor
- 31 vehicle network may be operated on any highway in this state.

- 1 (2) No political subdivision shall impose a local fee, registration,
- 2 franchise, or regulation upon an on-demand automated motor vehicle
- 3 <u>network. This subsection does not apply after December 31, 2024. Nothing</u>
- 4 in this section limits local authority or state authority over highways
- 5 <u>and rights-of-way with respect to communications networks or facilities.</u>
- 6 Sec. 4. (1) Before beginning research or testing on a highway in
- 7 this state of an automated motor vehicle, technology that allows a motor
- 8 vehicle to operate without a human operator, or any automated driving
- 9 system installed in a motor vehicle under this section, the manufacturer
- 10 of automated driving systems or upfitter performing that research or
- 11 <u>testing shall submit proof satisfactory to the Director of Insurance and</u>
- 12 <u>the Director of Motor Vehicles that the motor vehicle is insured as</u>
- 13 required under the Motor Vehicle Safety Responsibility Act.
- 14 (2) A manufacturer of automated driving systems or an upfitter shall
- 15 ensure that all of the following circumstances exist when researching or
- 16 testing the operation, including operation without a human operator, of
- 17 <u>an automated motor vehicle or any automated technology or automated</u>
- 18 driving system installed in a motor vehicle upon a highway or street:
- 19 (a) The motor vehicle is operated only by an employee, contractor,
- 20 or other person designated or otherwise authorized by that manufacturer
- 21 of automated driving systems or an upfitter. This subdivision does not
- 22 apply to a university researcher or an employee of the Department of
- 23 Transportation or the Department of Motor Vehicles;
- 24 (b) An individual described in subdivision (a) of this subsection
- 25 has the ability to monitor the motor vehicle's performance while it is
- 26 being operated on a highway in this state and, if necessary, promptly
- 27 take control of the motor vehicle's movements. If the individual does
- 28 <u>not, or is unable to, take control of the motor vehicle, the motor</u>
- 29 vehicle shall be capable of achieving a minimal risk condition; and
- 30 (c) The individual or individuals operating the motor vehicle under
- 31 subdivision (a) of this subsection and the individual or individuals

- 1 monitoring the motor vehicle for purposes of subdivision (b) of this
- 2 <u>subsection each must be licensed to lawfully operate a motor vehicle in</u>
- 3 <u>the United States.</u>
- 4 (3) A university researcher or an employee of the Department of
- 5 Transportation or the Department of Motor Vehicles who is engaged in
- 6 research or testing of automated motor vehicles may operate an automated
- 7 motor vehicle if the operation is in compliance with subsection (2) of
- 8 this section.
- 9 (4) An automated motor vehicle may be operated on a highway in this
- 10 state.
- 11 (5) When engaged, an automated driving system allowing for operation
- 12 without a human operator shall be considered the driver or operator of a
- 13 motor vehicle for purposes of determining conformance to any applicable
- 14 traffic or motor vehicle laws and shall be deemed to satisfy
- 15 <u>electronically all physical acts required by a driver or operator of the</u>
- 16 motor vehicle.
- 17 (6) The Nebraska Council on Future Transportation is created within
- 18 the Department of Transportation. The council shall have use of
- 19 department staff for achieving its purpose. The council shall provide to
- 20 the Governor, Legislature, Department of Motor Vehicles, Department of
- 21 Transportation, Department of Insurance, and the Nebraska State Patrol
- 22 recommendations for changes in state policy to ensure that this state is
- 23 one of the leaders in autonomous, driverless, and connected motor vehicle
- 24 technology. Recommendations provided to the Legislature shall be made
- 25 electronically. The council created under this subsection shall consist
- 26 of all of the following members, who shall serve without compensation:
- 27 (a) Eleven individuals appointed by the Governor who represent the
- 28 interests of local government or are business, policy, research, or
- 29 <u>technological leaders in future mobility. The individuals appointed under</u>
- 30 <u>this subdivision shall be voting members;</u>
- 31 (b) One individual appointed by the Governor who is a representative

- 1 of the insurance industry. The individual appointed under this
- 2 <u>subdivision shall be a voting member;</u>
- 3 <u>(c) Two members of the Legislature appointed by the Speaker of the</u>
- 4 Legislature to serve as nonvoting ex officio members;
- 5 (d) The Director of Motor Vehicles or his or her designee. The
- 6 individual appointed under this subdivision shall be a voting member;
- 7 (e) The Director-State Engineer of the Department of Transportation
- 8 or his or her designee. The individual appointed under this subdivision
- 9 <u>shall be a voting member;</u>
- 10 <u>(f) The Superintendent of Law Enforcement and Public Safety or his</u>
- or her designee. The individual appointed under this subdivision shall be
- 12 <u>a voting member;</u>
- 13 (g) The Director of Insurance or his or her designee. The individual
- 14 appointed under this subdivision shall be a voting member; and
- 15 (h) The Director of Economic Development or his or her designee. The
- 16 individual appointed under this subdivision shall be a voting member.
- 17 (7) The Governor shall designate one member of the council to serve
- 18 as chairperson.
- 19 (8) The council shall submit recommendations for statewide policy
- 20 changes and updates no later than March 31, 2019, and shall continue to
- 21 <u>make recommendations annually thereafter, or more frequently in the</u>
- 22 council's discretion.
- 23 (9) A person may operate a platoon on any highway of this state if
- 24 the person files a plan for general platoon operations with the Nebraska
- 25 State Patrol and the Department of Transportation before starting platoon
- 26 <u>operations. If the plan is not rejected by either the patrol or the</u>
- 27 department within thirty days after receipt of the plan, the person shall
- 28 be allowed to operate the platoon.
- 29 <u>(10) All of the following apply to a platoon:</u>
- 30 <u>(a) Motor vehicles in a platoon shall not be considered a</u>
- 31 combination of motor vehicles for purposes of this act;

- 1 (b) The lead motor vehicle in a platoon shall not be considered to
- 2 <u>draw the other vehicles; and</u>
- 3 (c) If the platoon includes a commercial motor vehicle, an
- 4 appropriately endorsed driver who holds a valid commercial driver license
- 5 shall be present behind the wheel of each commercial motor vehicle in the
- 6 platoon.
- 7 Sec. 5. A manufacturer of automated driving technology, an
- 8 automated driving system, or a motor vehicle manufacturer is immune from
- 9 liability that arises out of any modification made to a motor vehicle, an
- 10 automated motor vehicle, an automated driving system, or automated
- 11 <u>driving technology by another person without the manufacturer's consent,</u>
- 12 <u>as set forth in section 7 of this act. Nothing in this section supersedes</u>
- 13 or otherwise affects the contractual obligations, if any, between a motor
- 14 <u>vehicle manufacturer and a manufacturer of automated driving systems or a</u>
- 15 <u>manufacturer of automated driving technology.</u>
- 16 Sec. 6. (1) A motor vehicle manufacturer may participate in a SAVE
- 17 project if it self-certifies to all of the following:
- 18 (a) That it is a motor vehicle manufacturer. A person that is not a
- 19 motor vehicle manufacturer may not participate in a SAVE project;
- 20 (b) That each motor vehicle in the participating fleet is owned or
- 21 controlled by the motor vehicle manufacturer and is equipped with all of
- 22 the following:
- 23 (i) An automated driving system;
- 24 (ii) Automatic crash notification technology; and
- 25 (iii) A data recording system that has the capacity to record the
- 26 automated driving system's status and other motor vehicle attributes
- 27 <u>including</u>, but not limited to, speed, direction, and location during a
- 28 <u>specified time period before a crash as determined by the motor vehicle</u>
- 29 <u>manufacturer;</u>
- 30 (c) That the participating fleet complies with all applicable state
- 31 and federal laws; and

- 1 (d) That each motor vehicle in the participating fleet is capable of
- 2 being operated in compliance with applicable traffic and motor vehicle
- 3 laws of this state.
- 4 (2) A motor vehicle manufacturer's eligibility to participate in a
- 5 SAVE project under this section is conditioned solely upon meeting the
- 6 requirements of this section. A motor vehicle manufacturer shall verify
- 7 its satisfaction of the requirements of this section using the self-
- 8 <u>certification described in subsection (1) of this section.</u>
- 9 (3) All of the following apply to a motor vehicle manufacturer that
- 10 participates in a SAVE project:
- 11 <u>(a) The motor vehicle manufacturer may commence a SAVE project at</u>
- 12 any time after it notifies the Department of Transportation and
- 13 Department of Motor Vehicles that it has self-certified as provided in
- 14 subsection (1) of this section. The notification required by this
- 15 subdivision shall also set forth the geographical boundaries for the SAVE
- 16 project. A motor vehicle manufacturer may make multiple notifications
- 17 under this subsection;
- 18 (b) The motor vehicle manufacturer may participate in a SAVE project
- 19 under any terms it deems appropriate so long as the terms are consistent
- 20 with this section and other applicable law;
- 21 (c) The motor vehicle manufacturer shall determine the geographical
- 22 boundaries for a SAVE project, which may include, but are not limited to,
- 23 any of the following:
- (i) A designated area within a municipality;
- 25 (ii) An area maintained by a regional authority;
- 26 <u>(iii) A university campus;</u>
- 27 (iv) A development that caters to senior citizens; or
- 28 <u>(v) A geographic or demographic area that is similar to the areas</u>
- 29 <u>described in subdivisions (i) through (iv) of this subdivision;</u>
- 30 (d) Public operation of a participating fleet shall be confined to
- 31 the boundaries selected by the motor vehicle manufacturer under

- 1 subdivision (c) of this subsection;
- 2 (e) For the duration of a SAVE project, the motor vehicle
- 3 manufacturer shall maintain incident records and provide periodic
- 4 summaries related to the safety and efficacy of travel of the
- 5 participating fleet to the Department of Transportation, the Department
- 6 of Motor Vehicles, and the National Highway Traffic Safety
- 7 Administration; and
- 8 (f) An individual who participates in a SAVE project is deemed by
- 9 his or her participation to have consented to the collection of the
- 10 information described in subdivision (e) of this subsection while he or
- 11 <u>she is in a vehicle that is part of the participating fleet and to the</u>
- 12 <u>provision of the summaries to the Department of Transportation, the</u>
- 13 <u>Department of Motor Vehicles</u>, and the National Highway Traffic Safety
- 14 Administration as described in subdivision (e) of this subsection. Before
- 15 commencing a SAVE project, and for the duration of the SAVE project, the
- 16 motor vehicle manufacturer shall make publicly available a privacy
- 17 statement disclosing its data handling practices in connection with the
- 18 applicable participating fleet.
- 19 (4) When engaged, an automated driving system or any remote or
- 20 expert-controlled assist activity shall be considered the driver or
- 21 operator of the motor vehicle for purposes of determining conformance to
- 22 any applicable traffic or motor vehicle laws and shall be deemed to
- 23 satisfy electronically all physical acts required by a driver or operator
- 24 of the vehicle. A motor vehicle manufacturer shall insure each motor
- 25 vehicle in a participating fleet. For each SAVE project in which it
- 26 participates, during the time that an automated driving system is in
- 27 control of a motor vehicle in the participating fleet, a motor vehicle
- 28 <u>manufacturer shall assume liability for each incident in which the</u>
- 29 <u>automated driving system is at fault, including to the extent not covered</u>
- 30 <u>by insurance.</u>
- 31 Sec. 7. (1) The manufacturer of a motor vehicle is not liable and

- 1 shall be dismissed from any action for alleged damages resulting from any
- 2 of the following unless the defect from which the damages resulted was
- 3 present in the motor vehicle when it was manufactured:
- 4 (a) The conversion or attempted conversion of the vehicle into an
- 5 automated motor vehicle by another person;
- 6 (b) The installation of equipment in the motor vehicle by another
- 7 person to convert it into an automated motor vehicle; or
- 8 (c) The modification by another person of equipment that was
- 9 installed by the manufacturer in an automated motor vehicle specifically
- 10 for using the motor vehicle in automatic mode.
- 11 (2) A subcomponent system producer is not liable in a product
- 12 liability action for damages resulting from the modification of equipment
- installed by the subcomponent system producer to convert a motor vehicle
- 14 to an automated motor vehicle unless the defect from which the damages
- 15 <u>resulted was present in the equipment when it was installed by the</u>
- 16 subcomponent system producer.
- 17 (3) A motor vehicle mechanic or a motor vehicle repair facility that
- 18 repairs an automated motor vehicle according to specifications from the
- 19 <u>manufacturer of the automated motor vehicle is not liable in a product</u>
- 20 liability action for damages resulting from the repairs.
- 21 (4) As used in this section:
- 22 (a) Automated motor vehicle means a motor vehicle on which an
- 23 automated driving system has been installed, either by a manufacturer of
- 24 <u>automated driving systems or an upfitter that enables the motor vehicle</u>
- 25 to be operated without any control or monitoring by a human operator.
- 26 Automated motor vehicle does not include a motor vehicle enabled with one
- 27 or more active safety systems or operator assistance systems, including,
- 28 but not limited to, a system to provide electronic blind spot assistance,
- 29 crash avoidance, emergency braking, parking assistance, adaptive cruise
- 30 control, lane-keeping assistance, lane departure warning, or traffic jam
- 31 and queuing assistance, unless one or more of these technologies alone or

- 1 in combination with other systems enable the vehicle on which any active
- 2 <u>safety systems or operator assistance systems are installed to operate</u>
- 3 <u>without any control or monitoring by an operator;</u>
- 4 (b) Motor vehicle mechanic means a technician or other individual
- 5 who, for compensation, repairs motor vehicles, including the
- 6 reconditioning, replacement, adjustment, or alteration of the operating
- 7 condition, of any component or subassembly of a motor vehicle; and
- 8 (c) Motor vehicle repair facility means a place of business that,
- 9 for compensation, is engaged in the business of performing, or employs
- 10 <u>individuals</u> who perform, maintenance, diagnosis, vehicle body work,
- 11 <u>repair service, or ignition interlock service on a motor vehicle for</u>
- 12 compensation. The term does not include:
- 13 (i) An individual who engages only in the business of repairing the
- 14 motor vehicles of a single commercial or industrial establishment or
- 15 governmental agency;
- 16 (ii) An individual who is repairing his or her own or a family
- 17 member's car; or
- 18 (iii) A business that does not diagnose the operation of a motor
- 19 vehicle, does not remove parts from a motor vehicle to be remachined, and
- 20 <u>does not install finished machined or remachined parts on a motor</u>
- 21 vehicle, not including a motor vehicle repair facility that engages in
- 22 the business of performing or employing persons who perform vehicle body
- 23 work.
- 24 Sec. 8. Original section 60-601, Revised Statutes Cumulative
- 25 Supplement, 2016, is repealed.