

**PROPOSED REGULATION OF THE DEPARTMENT OF  
MOTOR VEHICLES AND PUBLIC SAFETY**

**LCB File No. R003-00**

February 28, 2000

EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: §§1-15, NRS 482.281.

**Section 1.** Chapter 482 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 15, inclusive, of this regulation.

**Sec. 2.** *As used in sections 2 to 15, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 3, 4 and 5 of this regulation have the meanings ascribed to them in those sections.*

**Sec. 3.** *“Authorized inspection station” has the meaning ascribed to it in NRS 445B.710.*

**Sec. 4.** *“Authorized station” has the meaning ascribed to it in NRS 445B.720.*

**Sec. 5.** *“Pilot program” means the pilot program required to be established by the department pursuant to NRS 482.281.*

**Sec. 6.** *To be eligible to participate in the pilot program, an authorized inspection station or authorized station:*

*1. Must have been continuously licensed by the department as an authorized inspection station or authorized station for not less than 2 years immediately preceding the date of application; and*

*2. Must not:*

*(a) Have committed any violation set forth in NRS 445B.790;*

(b) Be owned in whole or in part by, or employ, any person who has been convicted of a felony;

(c) *Have issued a check to the department in payment of the fee to obtain forms certifying emission control compliance set forth in NRS 445B.830 that was returned for insufficient money or credit to pay the check; or*

(d) *Possess a license or registration from the department to engage in the activities of:*

(1) *A vehicle transporter pursuant to the provisions of NRS 482.3161;*

(2) *A new vehicle dealer, used vehicle dealer, manufacturer, distributor or rebuilder pursuant to the provisions of NRS 482.322;*

(3) *A broker of vehicles pursuant to the provisions of NRS 482.333;*

(4) *A salesman of vehicles, trailers or semitrailers pursuant to the provisions of NRS 482.362;*

(5) *Leasing vehicles as a long-term or short-term lessor pursuant to the provisions of NRS 482.363;*

(6) *Dismantling, scrapping, processing or wrecking a vehicle pursuant to the provisions of NRS 487.050;*

(7) *Operating a salvage pool pursuant to the provisions of NRS 487.410;*

(8) *A garageman pursuant to the provisions of NRS 487.560; or*

(9) *Operating a body shop pursuant to the provisions of NRS 487.610.*

**Sec. 7.** *An authorized inspection station or authorized station that wishes to participate in the pilot program must:*

**1.** *Submit an application to the department on a form provided by the department.*

*2. Provide any additional information that the department may require to evaluate the application.*

**Sec. 8. 1.** *The department will select the stations to participate in the pilot program from among the eligible stations that submit applications.*

2. The department may consider the location of an authorized inspection station or authorized station in determining whether to select that station to participate in the pilot program.

**Sec. 9.** Before an authorized inspection station or authorized station that is selected to participate in the pilot program may renew a certificate of registration for a motor vehicle, it must enter into a contract with the department. The contract will set forth the:

1. Procedure for the renewal of a certificate of registration for a motor vehicle; and
2. Equipment that the authorized inspection station or authorized station must use and maintain to participate in the pilot program. A list of that equipment may be obtained from the department by submitting a written request to:

Department of Motor Vehicles and Public Safety  
Management Services and Program Division  
Emission Program Unit  
555 Wright Way  
Carson City, Nevada 89711

**Sec. 10. 1.** *Except as otherwise provided in subsection 2, before an authorized inspection station or authorized station that is selected to participate in the pilot program may renew a certificate of registration for a motor vehicle, it shall obtain and file with the*

*department a good and sufficient bond in an amount of \$15,000 subject to the condition that the station conduct its business as an authorized inspection station or authorized station in the pilot program without fraud or fraudulent representation and without violating any of the provisions of chapters 445B, 482, 597 and 598 of NRS or sections 2 to 15, inclusive, of this regulation. Each bond must have a corporate surety thereon that is licensed to do business within this state and must be approved as to form by the attorney general.*

*2. In lieu of filing a bond, an authorized inspection station or authorized station may place on deposit with the department an amount equal to \$15,000 in the form of:*

- (a) Cash;*
- (b) A bond issued by the United States; or*
- (c) A savings certificate.*

*3. A deposit placed with the department pursuant to subsection 2 must be:*

*(a) Subject to the condition that the authorized inspection station or authorized station conduct its business as an authorized inspection station or authorized station in the pilot program without fraud or fraudulent representation and without violating any of the provisions of chapters 445B, 482, 597 and 598 of NRS or sections 2 to 15, inclusive, of this regulation; and*

*(b) Available for withdrawal only upon the order of the department.*

*4. The department will require an increase in the amount of the bond or deposit of an authorized inspection station or authorized station if the department deems it to be necessary and in the public interest.*

*5. The undertaking in the bond or deposit must include, without limitation, any fraud or fraudulent representation or violation of any of the provisions of chapters 445B, 597 and 598 of*

NRS and sections 2 to 15, inclusive, of this regulation by any employee or agent of the authorized inspection station or authorized station.

6. The bond or deposit must provide that any person injured by an action of the authorized inspection station or authorized station, or an employee or agent of such a station, in violation of any of the provisions of chapters 445B, 597 or 598 of NRS or sections 2 to 15, inclusive, of this regulation may bring an action on the bond.

*7. Any money received by the department pursuant to this section will be deposited with the state treasurer for credit to the motor vehicle fund.*

**Sec. 11. 1. *Liability under a bond which is filed or a deposit which is made with the department pursuant to section 10 of this regulation will be in an amount prescribed by the department.***

2. The department will suspend the participation of an authorized inspection station or authorized station in the pilot program if:

(a) The amount of the bond filed or the deposit made is reduced below the amount required by the department pursuant to section 10 of this regulation; or

(b) There is an outstanding judgment for which the authorized inspection station or authorized station is liable under the bond or deposit.

3. An authorized inspection station or authorized station whose participation in the pilot program is suspended pursuant to subsection 2 will be reinstated if the station:

(a) Files an additional bond pursuant to section 10 of this regulation;

(b) Restores the deposit to its original amount; or

(c) Satisfies the outstanding judgment for which it is liable.

**Sec. 12.** *A bond which is filed or a deposit which is made with the department pursuant to section 10 of this regulation may be:*

1. Disbursed by the director, for good cause shown and after notice and hearing, in an amount determined by the director to compensate a person injured by an action of the authorized inspection station or authorized station, or an employee or agent of such a station.

2. Released by the director upon the receipt by the department of a statement that:

(a) Is signed by a person under whose name the bond or deposit is made;

(b) Is acknowledged before any person authorized to take acknowledgments in this state;

(c) Requests the director to release the bond or deposit, or a specified portion thereof; and

(d) Sets forth the purpose for which the release of the bond or deposit is requested.

3. Refunded by the director:

(a) One year after the date the participation of an authorized inspection station or authorized station in the pilot program terminates if the director determines that there are no outstanding claims against the bond or deposit; or

(b) Pursuant to an order of a court of competent jurisdiction.

**Sec. 13.** *The department will limit the participation in the pilot program to not more than six authorized inspection stations or authorized stations at any time. Not more than four authorized inspection stations or authorized stations will be located in Clark County, and not more than two authorized inspection stations or authorized stations will be located in Washoe County.*

**Sec. 14.** *During the period of its participation in the pilot program, an authorized inspection station or authorized station:*

1. *Shall:*

*(a) Be open to the public for the renewal of certificates of registration for motor vehicles at least Monday through Friday from 8 a.m. to 5 p.m., except on the holidays set forth in NRS 236.015;*

*(b) Employ at the station at least two approved inspectors whose duties include the renewal of certificates of registration for motor vehicles and who are licensed pursuant to the provisions of NAC 445B.485 to 445B.502, inclusive;*

*(c) Maintain the records relating to the pilot program where the renewal of certificates of registration for motor vehicles are issued; and*

*(d) Authorize the department or any person designated by the department to conduct audits of its records relating to the pilot program:*

*(1) Within 3 months after the authorized inspection station or authorized station begins issuing the renewal of certificates of registration for motor vehicles;*

*(2) At least once every 12 months after completion of the initial audit; and*

*(3) At any other time requested by the department; and*

*2. Shall not:*

*(a) Charge a fee of more than \$2 to renew a certificate of registration for a motor vehicle;*

*(b) Employ a person to renew certificates of registration for motor vehicles who has:*

*(1) Not completed a course of training provided by the department; or*

*(2) Been convicted of a felony; or*

*(c) Use or permit its employees to use:*

*(1) False, deceptive or misleading advertising to induce a person to renew the certificate of registration for his motor vehicle at that authorized inspection station or authorized station;*  
*or*

*(2) The name of the department or the state seal in any advertisement for the renewal of a certificate of registration for a motor vehicle.*

**Sec. 15.** *The department may terminate the participation of an authorized inspection station or authorized station in the pilot program. The grounds for termination include, without limitation:*

*1. The failure of the authorized inspection station or authorized station to engage in business;*

*2. The failure of the authorized inspection station or authorized station to comply with the applicable provisions of:*

*(a) Chapter 445B of NRS;*

*(b) Chapter 445B of NAC;*

*(c) Chapter 482 of NRS;*

*(d) Chapter 482 of NAC;*

*(e) Chapter 597 of NRS;*

*(f) Chapter 598 of NRS; or*

*(g) Chapter 598 of NAC;*

*3. The failure of an authorized inspection station or authorized station to maintain the bond or deposit required by section 10 of this regulation; or*

*4. A violation of any provision of the contract required by section 9 of this regulation.*