LCB File No. R085-03

PROPOSED REGULATION OF THE DEPARTMENT OF MOTOR VEHICLES

(This proposed regulation was previously adopted as LCB File No. T012-02)

AUTHORITY: NRS 482.160, 482.280 and 482.281

Chapter 482 of NAC is hereby amended to read as follows:

- **482.700 Definitions.** (NRS 482.281) As used in NAC 482.700 to 482.765, inclusive, unless the context otherwise requires, the words and terms defined in NAC 482.705, 482.710 and 482.715 have the meanings ascribed to them in those sections.
- **482.705** "Authorized inspection station" defined. (NRS 482.281) "Authorized inspection station" has the meaning ascribed to it in NRS 445B.710.
- **482.710** "Authorized station" defined. (NRS 482.281) "Authorized station" has the meaning ascribed to it in NRS 445B.720.
- **482.715 "Program" defined. (NRS 482.281)** "Program" means the program established by the department pursuant to NRS 482.281 under which authorized inspection stations and authorized stations may renew registrations of motor vehicles or offer services for the renewal of registrations of motor vehicles.
- 482.716 "Exhaust gas analyzer" defined. (NAC 445B.422). means a device for sensing the amount of air contaminants in the exhaust emissions of a motor vehicle.

482.718 Prerequisites for participation. (NRS 482.281)

- 1. Before an authorized inspection station or authorized station may renew registrations of motor vehicles or offer services for the renewal of registrations of motor vehicles, the authorized inspection station or authorized station must:
 - (a) Meet the eligibility requirements set forth in NAC 482.720;
 - (b) Submit an application pursuant to NAC 482.725;
 - (c) Submit the required bond pursuant to NAC 482.745; and
 - (d) Receive written approval from the department to participate in the program.
- 2. An authorized inspection station or authorized station that has not received written approval from the department to participate in the program shall not renew registrations of motor vehicles or offer services for the renewal of registrations of motor vehicles.
- [3. An authorized inspection station or authorized station may provide access to a computer for individuals to renew their vehicle registration by use of the department's website without participating in this program. However, payment of vehicle registration renewal fees must be made by use of a credit or debit card in the name of the person who is renewing the vehicle

registration and shall not be processed through the business or personal bank accounts of the station or station owner(s).]

- **482.720 Eligibility.** (NRS 482.281) To be eligible to participate in the program, an authorized inspection station or authorized station must not:
 - 1. Have committed any violation set forth in NRS 445B.790;
- 2. Be owned, in whole or in part, by any person who has been convicted of a felony for committing:
 - (a) A deceptive trade practice; or
 - (b) Embezzlement;
- 3. 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
 - 4. Possess a license from the department to engage in the activities of:
 - (a) A vehicle transporter pursuant to the provisions of NRS 482.3161;
 - (b) A broker of vehicles pursuant to the provisions of NRS 482.333;
- (c) Dismantling, scrapping, processing or wrecking a vehicle pursuant to the provisions of NRS 487.050;
 - (d) Operating a salvage pool pursuant to the provisions of NRS 487.410; or
 - (e) Operating a body shop pursuant to the provisions of NRS 487.610.
- **482.725 Application.** (NRS 482.281) An authorized inspection station or authorized station that wishes to participate in the 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.

482.745 Bond or deposit: Requirements. (NRS 482.281)

- 1. Except as otherwise provided in subsection 2, before an authorized inspection station or authorized station that is selected to participate in the program may renew a certificate of registration for a motor vehicle, the authorized inspection station or authorized station must obtain and file with the department a good and sufficient bond in an amount of \$10,000 subject to the condition that the station conduct its business as an authorized inspection station or authorized station in the program without fraud or fraudulent representation and without violating any of the provisions of chapter 445B, 482, 597 or 598 of NRS or NAC 482.700 to 482.765, inclusive. 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 \$10,000 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 program

without fraud or fraudulent representation and without violating any of the provisions of chapter 445B, 482, 597 or 598 of NRS or NAC 482.700 to 482.765, inclusive; 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 chapter 445B, 482, 597 or 598 of NRS or NAC 482.700 to 482.765, inclusive, 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 chapter 445B, 482, 597 or 598 of NRS or NAC 482.700 to 482.765, inclusive, 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.

482.750 Bond or deposit: Amount of liability; suspension and reinstatement of participation. (NRS 482.281)

- 1. Liability under a bond which is filed or a deposit which is made with the department pursuant to NAC 482.745 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 program if:
- (a) The amount of the bond filed or the deposit made is reduced below the amount required by the department pursuant to NAC 482.745; 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 program is suspended pursuant to subsection 2 will be reinstated if the station:
 - (a) Files an additional bond pursuant to NAC 482.745;
 - (b) Restores the deposit to its original amount; or
 - (c) Satisfies the outstanding judgment for which it is liable.

482.755 Bond or deposit: Disbursement; release; refund. (NRS 482.281) A bond which is filed or a deposit which is made with the department pursuant to NAC 482.745 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 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.
- 482.760 Duties of and restrictions on participants; authorization for use of certain software [and website of department]. (NRS 482.281) During the period of its participation in the 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 program where the renewal of certificates of registration for motor vehicles are issued;
- (d) Authorize the department or any person designated by the department to conduct audits of the station's records relating to the 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
- (e) Deposit the money it has collected from the renewal of certificates of registration for motor vehicles with the department at the location designated by the department. The deposits must be made:
 - (1) Not less than once each calendar week; and
- (2) If the money accumulated for deposit is \$10,000 or more, not later than the next business day.
 - (3) Fees must be deposited in the same form as received from the customer.
 - (a) Cash collected must be deposited for cash transactions
- (4) Station owner(s) shall be responsible for properly documenting the identification of the customer submitting checks or credit card payments.
- (f) Use software that is issued and installed into an exhaust gas analyzer by the department to process the renewal of certificates of registration for motor vehicles.
 - 2. Shall not:
- (a) Employ a person to issue or renew a certificate of registration for a motor vehicle who has not completed a course of training provided by the department and received a certificate of completion for the course from the department.
- (b) [(a)] Charge a fee of more than \$10 to renew a certificate of registration for a motor vehicle; or
 - (c) [(b)] 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.

- [3. May:
- (a) Use software that is issued and installed into an exhaust gas analyzer by the department to process the renewal of certificates of registration for motor vehicles; and
- (b) Use the website of the department on the Internet to process the renewal of certificates of registration for motor vehicles.]
- **482.765 Grounds for termination of participation.** (NRS 482.281) The department may terminate the participation of an authorized inspection station or authorized station in the 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; or
- 3. The failure of an authorized inspection station or authorized station to maintain the bond or deposit required by NAC 482.745.