

**PROPOSED REGULATION OF THE DEPARTMENT
OF MOTOR VEHICLES**

Proposed Effective Date: Upon Filing with the Secretary of State

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

AUTHORITY: §§ NRS 481.051 and 73rd Session of the Nevada Legislature Assembly Bill 249.

Chapter 108 of NAC is hereby amended by adding thereto the provisions set forth as sections 1 to 4, inclusive, of this regulation.

Section 1.

1. As described in NRS 108.270, these regulations pertain to;

- (a) Automobile wreckers as defined in NAC 487.010,*
- (b) Body shops as defined in NRS 487.600,*
- (c) Dealers as defined in NRS 482.020,*
- (d) Garages as defined in NRS 487.540,*
- (e) Salvage pools as defined in NRS 487.400, and*
- (f) Towing car operators as defined in NAC 706.4024.*

Sec. 2.

1. Prior to lien sale, the notice of lien for a motor vehicle, motorcycle, trailer, or recreational vehicle, must be delivered or mailed to each person who is listed in the records of the Department of Motor Vehicles as holding an ownership or other interest in the motor vehicle, motorcycle, trailer, or recreational vehicle.

2. If the records of the Department of Motor Vehicles do not contain current vehicle registration or title information, then an effort shall be made to determine an ownership or other interest in a motor vehicle, motorcycle, trailer, or recreational vehicle according to the following schedule;

(a) For a motor vehicle, motorcycle, trailer, or recreational vehicle five years old or newer, query all 50 states;

(b) For a motor vehicle, motorcycle, trailer, or recreational vehicle six to nine years old, query Alaska, Arizona, California, Colorado, Hawaii, Idaho, Kansas, New Mexico, Oklahoma, Oregon, Texas, Utah & Washington;

(c) For a motor vehicle, motorcycle, trailer, or recreational vehicle ten years old and older, query Alaska, Arizona, California, Hawaii, Idaho, Oregon, Utah & Washington.

3. Provisions of NRS 108.272 Notice must be complied with.

4. At least seven days prior to any sale, the lien claimant shall submit a request from law enforcement to obtain a stolen check for every motor vehicle, motorcycle, trailer, or recreational vehicle to be offered for lien sale. If the vehicle is reported stolen, work with law enforcement agency to resolve that case.

Sec. 3.

1. Except for sales to licensed wreckers, when a motor vehicle, motorcycle, trailer, or recreational vehicle is sold as a result of a lien in this state to any person, the lien claimant shall complete a lien sale affidavit and a lien sale registration certificate. The lien sale affidavit and the lien sale registration certificate must be in a form prescribed by the Department and must include:

(a) A description of the vehicle, including whether or not the vehicle is;

(1) a non-repairable vehicle as defined in NRS 487.760,

(2) a flood damaged vehicle as defined in NRS 487.740,

(3) a total loss vehicle as defined in NRS 487.790,

(4) a salvage vehicle as defined in NRS 487.790,

(5) a rebuilt vehicle; any classification of the above identified by the department during compliance with section 4 above, or if

(6) the vehicle sold has sustained damage to more than fifty (50%) percent of the vehicle's exterior due to collision, other accident, flood or fire.

(b) Should the vehicle to be sold qualify as non-repairable, total loss or salvage as described in section 3 part 1, the lien claimant shall submit, together with all other required documentation, the appropriate application pursuant to NRS 487.800 to 487.820 inclusive.

(c) The name and address of the seller; and

(d) The name and address of the buyer.

2. If a security interest exists at the time of the lien sale, or if in connection with the lien sale a security interest is taken or retained by the lien claimant to secure all or part of the purchase price, or a security interest is taken by a person who gives value to enable the buyer to acquire rights in the vehicle, the name and address of the secured party must be entered on the lien sale affidavit.

3. The lien claimant shall:

(a) Collect the fees set forth in NRS 482.429 for:

(1) A certificate of title for a vehicle registered in this state; and

(2) The processing of the lien sale affidavit and lien sale registration certificate;

(b) Within 30 days after the execution of the lien sale affidavit:

(1) Submit to the Department the original of the lien sale affidavit and all the documents for the lien sale of the vehicle as described in NRS 108.272; and

(2) Remit to the Department the fees collected pursuant to paragraph (a).

4. To establish compliance with the period required by paragraph (b) of subsection 3, the Department shall use the date imprinted or otherwise indicated on the lien sale affidavit as the beginning date of the 30-day period.

5. If after receipt of the required documentation specified in subparts 2 and 3 of this section, the Department should return documents to the lien claimant for correction or additional information, the lien claimant shall re-submit the corrected documents and or additional information to the department within 30 days of their receipt of those documents.

Sec. 4.

1. Except as otherwise provided in subsection 2 or 3, if the Department imposes administrative fines pursuant to the provisions of section 28.7 of 73rd Session of the Nevada Legislature Assembly Bill 249, it will impose such fines for violations occurring within the 3-

year period immediately preceding the most recent offense according to the following schedule:

(a) For a first offense, a fine of not less than \$100 and not more than \$500.

(b) For a second offense, a fine of not less than \$500 and not more than \$1,000.

(c) For a third offense, a fine of not less than \$1,000 and not more than \$1,500.

(d) For a fourth or subsequent offense, a fine of not less than \$1,500 and not more than \$2,500.

For the purposes of paragraphs (b), (c) and (d), a cease and desist order issued by the Department shall be deemed to be a first offense.

2. The Department will impose an administrative fine pursuant to the provisions of section 28.7 of 73rd Session of the Nevada Legislature Assembly Bill 249 of not less than \$1,500 and not more than \$2,500 for a first offense involving a violation of NRS 108.265 to 108.360, inclusive, which results in substantial personal or financial harm to a consumer.

3. Any person who has been fined pursuant to the provisions of section 28.7 of 73rd Session of the Nevada Legislature Assembly Bill 249 shall make payment to the Department not later than the date specified in the notice of the violation, unless he has requested a hearing pursuant to subsection 1 of that section.

4. Upon the failure of a person to pay a fine imposed pursuant to the provisions of this section when it becomes due, the Director of the Department of Motor Vehicles may suspend, revoke or refuse to issue any license or registration or grant any new license, privilege or other service to such person or business until such time as full payment of the fine is made to the department as required by the provisions of this chapter.