## **LCB File No. R211-07**

## PROPOSED REGULATION OF THE DEPARTMENT OF MOTOR VEHICLES

Proposed regulations applicable to:

NRS 482.323 Established place of business for dealers, short-term lessors and brokers; notification of Department of branches by short-term lessors.

## **Definitions:**

- 1. "Licensee" defined. As used in these definitions, the term "licensee" refers to a vehicle dealer, rebuilder, manufacturer, lessor or broker licensed pursuant to the provisions of Chapter 482 of the Nevada Revised Statutes.
- 2. "Local authority" defined. For the purposes of these definitions and regulations, the term "local authority" has the same meaning as ascribed to it in NRS 482.0555.
- 3. "An established place of business" defined. An established place of business means a properly license business place that is open to the public during normal business hours and used by a licensee for the purpose of conducting the type and category of business authorized by the State and city or county licenses issued.
- 4. "A permanent enclosed building" defined. A permanent enclosed building means an approved enclosed structure consisting of not less than 100 square feet of office usable space to be used exclusively by a licensee for the purpose of conducting the type and category of business authorized by his State license and that of the local authority;
- a. That rests on an approved foundation, or if designed as a mobile or temporary office building, one that has been rendered immobile and essentially fixed at the businesses approved and licensed location;
- b. That has sufficient size to contain a business office and secure storage of the licensee's business records, and;
- c. That is approved by the local authority to conduct the business activity authorized by the State license.
- d. That is easily recognizable as an office being separate and distinct from all other adjacent businesses where retail customers may conduct business in an office environment.
- 5. "Is principally used by the licensee to conduct his business" defined. Is principally used by the licensee to conduct his business means that with the exception of wholesale transactions if authorized, the operations and activities of a licensee are conducted at the location where he is licensed.

- 6. "Sufficient space to display one or more vehicles" defined. Sufficient space to display one or more vehicles means a licensee's designated space or area from which the dealer is authorized to display vehicles offered for retail sale.
- 7. "Boundaries which are clearly marked" defined. Boundaries which are clearly marked means the identification of the property lines or boundaries that make up a licensee's approved location comprised of easily recognized physical interior and exterior partitions that separate one licensee from that of another or from any other adjacent business.
- 8. "Physical exterior partition" defined. A physical exterior partition means a permanent fence, wall, curb or similar type barrier that with the exception of business access and egress, clearly separates a licensee's approved location continuously along its designated exterior boundaries that includes the licensee's area designated for display of vehicles for retail sale, the office and that space or spaces designated for customer and employee parking separately from any other adjacent business.
- a. For businesses licensed after June 1, 2008, a physical exterior boundary partition shall consist of a continuous barrier not less not less than 18 inches high.
- 9. "Physical interior partition" defined. A physical interior partition means an approved wall or similar barrier not less than 7 feet in height that separates and defines a dealer, rebuilder, manufacturer, lessor or broker's approved office space as being separate from that of another dealer, rebuilder, manufacturer, lessor, broker or business sharing the same building.
- a. Unless otherwise required by a local authority, a licensee's operation of a registered repair garage, licensed body shop or an emission station in conjunction with his vehicle sales or leasing business shall not be required to establish a physical interior partition should these businesses exist within the same building space owned and operated by a single licensee.
- 10. "Normal business hours" defined. Normal business hours means the hours of 9:00 A.M. to 5:00 P.M., Monday through Friday, excluding recognized State and/or Federal holidays.
- a. Business hours that are less than the minimum must be posted declaring the hours of operation for that business.
- b. Exceptions to normal or less than normal business hours shall be posted and maintained.

## **Proposed New Regulations:**

1. A dealer, rebuilder, manufacturer, lessor or broker shall maintain an established place of business that is open to the public during normal business hours and that is used by the licensee for the purpose of conducting the activities authorized by the type of license issued by the Department.

- 2. A dealer, rebuilder, manufacturer, lessor or broker shall not enter into an agreement with a property owner, landlord, local authority or other government entity that imposes restrictions on or grants additional privileges to a business license issued by the Department.
- 3. A vehicle dealer, rebuilder, or lessor shall designate sufficient space at their approved location where they display vehicles for sale or lease.
  - a. When customer parking is required as a condition of local authority licensing, the space or spaces designated for customer parking may not be the same or commingled with space or spaces designated by the dealer, rebuilder, manufacturer or lessor for the display of vehicles for sale or lease.
- 4. A dealer, rebuilder, short term lessor or broker shall maintain clearly marked, distinct and easily identifiable internal and external partitions or boundaries that separate the licensee from all other adjacent businesses. In those places where two licensees or one licensee and another business occupy a single business address, or if a different address, share a mutual boundary, a physical interior and exterior partition or boundary shall be maintained to separate one business location from that of another.