PROPOSED REGULATION OF THE DIRECTOR OF THE

DEPARTMENT OF MOTOR VEHICLES

LCB File No. R211-07

October 13, 2008

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

AUTHORITY: §1, NRS 481.051, 482.160 and 482.323.

A REGULATION relating to motor vehicles; providing certain requirements relating to the established place of business of a vehicle dealer or broker licensed by the Department of Motor Vehicles; and providing other matters properly relating thereto.

Section 1. Chapter 482 of NAC is hereby amended by adding thereto a new section to read as follows:

- 1. As used in NRS 482.323, the Department will interpret the term "boundaries which are clearly marked" to mean easily identifiable physical exterior partitions and physical interior partitions that separate an established place of business, including, without limitation, the space designated for the display of vehicles for lease or sale, the area designated for an office and any area designated for parking for customers and employees, from any adjacent business.
- 2. An established place of business must be open to the public Monday through Friday from 9 a.m. to 5 p.m, excluding recognized state and federal holidays, unless alternate business hours are posted in a conspicuous place at the established place of business.
- 3. A dealer who is authorized by the Department to conduct wholesale transactions may conduct such transactions at a location other than his established place of business.

- 4. A dealer or broker shall not enter into any agreement that imposes a restriction upon or grants an additional privilege relating to the activities conducted by the dealer or broker at his established place of business.
- 5. The local authority must approve the permanent enclosed building to be used by a dealer or broker at his established place of business before the dealer or broker may conduct any activities authorized by his license at his established place of business.
- 6. If a dealer or broker is required by a local authority to provide a parking area for customers at his established place of business, the parking area designated for customers must be separate from the space designated by the dealer or broker for the display of vehicles for sale or lease.
- 7. Unless otherwise required by a local authority, a dealer or broker is not required to establish a physical interior partition in his permanent enclosed building between:
 - (a) His business of selling or leasing vehicles; and
 - (b) A business owned and operated by the dealer or broker which is:
- (1) A garage registered with the Department pursuant to the provisions of NRS 487.530 to 487.570, inclusive;
 - (2) A body shop licensed pursuant to NRS 487.630; or
 - (3) An authorized inspection station.
 - 8. As used in this section:
 - (a) "Authorized inspection station" has the meaning ascribed to it in NRS 445B.710.
 - (b) "Broker" has the meaning ascribed to it in NRS 482.0127.
 - (c) "Dealer" has the meaning ascribed to it in NRS 482.020.

- (d) "Established place of business" means the business that a dealer or broker is required to maintain pursuant to NRS 482.323.
 - (e) "Local authority" has the meaning ascribed to it in NRS 482.0555.
 - (f) "Permanent enclosed building" means an enclosed structure that:
- (1) Is designed to be used with a permanent foundation or, if designed to be used without a permanent foundation, is capable of being permanently fixed at a location;
- (2) Has sufficient size to accommodate an office and secure storage of the books and other records of a business; and
- (3) Is easily recognizable as an office which is separate and distinct from other adjacent businesses where retail customers may conduct business in an office environment.
- (g) "Physical exterior partition" means a permanent fence, wall, curb or similar barrier which:
- (1) Clearly separates an established place of business continuously along its exterior boundaries from any adjacent business, except for areas designed for ingress and egress to the established place of business.
- (2) For a dealer or broker that is initially issued a license on or after June 1, 2008, is not less than 18 inches in height.
- (h) "Physical interior partition" means a wall or similar barrier that is not less than 7 feet in height and which separates the area designated by a licensee as an office from the area in the same building used by another licensee.