

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

LCB File No. R038-04

August 3, 2004

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

AUTHORITY: §§1-5, NRS 482.160; §§ 6-25, NRS 481.051.

A REGULATION relating to vehicles; providing an administrative interpretation of certain terms used in a statute; requiring an owner of a vehicle whose essential parts are marked with more than one vehicle identification number to obtain a unique vehicle identification number from the Department of Motor Vehicles; establishing procedures to apply for a salvage title or nonrepairable vehicle certificate; imposing certain duties when the conventional frame of a vehicle is replaced; and providing other matters properly relating thereto.

Section 1. Chapter 482 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 5, inclusive, of this regulation.

Sec. 2. 1. *For the purpose of identifying the “major components of a vehicle which must be replaced for a vehicle to be considered rebuilt,” as that phrase is used in NRS 482.098, the Director interprets:*

(a) “Cowl assembly” to mean the forward structural portion of a vehicle to which are intended to be attached all or a part of the windshield frame, firewall, housing of the instrument panel and hinges for the front doors.

(b) “Rear clip assembly” to mean the entire rear structural portion of a vehicle designed and intended to be located behind the rear seat of the vehicle.

(c) “Roof assembly” to mean the structural parts of a vehicle, including without limitation, at least one-half of the vertical roof supports, framework of the roof and the exterior metal

skin, that together are designed and intended to be located over the passenger compartment to form the roof of the vehicle.

(d) “Floor pan assembly” to mean the pans designed and intended to form the floor of the passenger compartment of a vehicle.

(e) “Conventional frame” to mean the main longitudinal structural members of the chassis of a vehicle used as the major support in the construction of the vehicle.

(f) “Complete front inner structure for a unibody” to mean the welded structure of a vehicle, including, without limitation, the radiator support, left and right aprons, upper and lower rails and strut towers, designed and intended to be located forward of the cowl assembly.

(g) “Replaced” to mean the substitution, or change in whole, of a new or used part of a vehicle.

2. As used in this section:

(a) “Assembly” means a combination of parts assembled together in such a way as to create a whole part.

(b) “Passenger compartment” means the area of a vehicle designed and intended for the seating of the driver and passengers.

Sec. 3. *As used in sections 3, 4 and 5 of this regulation, unless the context otherwise requires, “vehicle identification number” means the number placed on one or more of the essential parts of a vehicle by the manufacturer or the Department. The term includes, without limitation, the 17-digit number required pursuant to Part 565 of Title 49 of the Code of Federal Regulations.*

Sec. 4. 1. *If a vehicle is rebuilt, reconstructed, repaired or specially constructed in such a way that the vehicle identification number placed on one essential part is different than the*

vehicle identification number placed on any other essential part, the owner of the vehicle shall obtain a unique vehicle identification number from the Department.

2. If the vehicle has never been registered in this State, or another state or jurisdiction, the owner must present the vehicle at an office of the Department for the assignment, recordation and placement of a unique vehicle identification number before a certificate of registration or certificate of title will be issued.

3. If the vehicle is, or has been, registered in this State, or another state or jurisdiction, the owner shall present the vehicle at an office of the Department for the assignment, recordation and placement of a unique vehicle identification number not later than 30 days after the owner discovers that the vehicle identification number placed on one essential part is different than the vehicle identification number placed on any other essential part.

4. A motor vehicle assigned a unique vehicle identification number pursuant to this section must be registered under that number.

5. The unique vehicle identification number assigned to a vehicle pursuant to this section must be used in any description of the vehicle required pursuant to this chapter or chapter 482 of NRS.

6. For the purposes of this section, an essential part that does not have a vehicle identification number placed on it shall be deemed to have a different vehicle identification number than an essential part that does have such a number placed on it.

Sec. 5. *At the time the owner of a motor vehicle presents his vehicle to obtain a unique vehicle identification number, the Department will:*

1. Assign as the unique vehicle identification number:

(a) The vehicle identification number placed on one or more of the essential parts of the vehicle by the manufacturer, or previously by the Department, if the motor vehicle:

(1) Is a:

(I) Rebuilt vehicle;

(II) Reconstructed vehicle; or

(III) Specially constructed vehicle; or

(2) Has had its frame replaced with a frame of the same make, model and year; or

(b) A new number established by the Department if the vehicle has had its frame replaced with a frame of a different make, model or year, but is not a rebuilt vehicle.

2. Record the unique vehicle identification number in the records of the Department as set forth in NRS 482.235.

3. Permanently stamp or attach the unique vehicle identification number, or confirm that the unique vehicle identification number is permanently stamped or attached, to:

(a) The frame, if applicable, and the pillar post for the left-hand door hinge, or if such placement is not appropriate, the left-hand side of the fire wall, under the hood; or

(b) If the vehicle is a motorcycle, the frame, as near as possible to the right side down tube.

Sec. 6. Chapter 487 of NAC is hereby amended by adding thereto the provisions set forth as sections 7 to 19, inclusive, of this regulation.

Sec. 7. *As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 8 to 16, inclusive, of this regulation have the meanings ascribed to them in those sections.*

Sec. 8. *“Business day” does not include a Saturday, Sunday or legal holiday.*

Sec. 9. *“Department” means the Department of Motor Vehicles.*

Sec. 10. *“Director” means the Director of the Department.*

Sec. 11. *“Manufactured Housing Division” means the Manufactured Housing Division of the Department of Business and Industry.*

Sec. 12. *“Nonrepairable vehicle certificate” means a certificate issued by the state agency pursuant to NRS 487.880.*

Sec. 13. *“Salvage title” means a certificate of title issued by the state agency pursuant to NRS 487.810.*

Sec. 14. *“Salvage vehicle” has the meaning ascribed to it in NRS 487.770.*

Sec. 15. *“State agency” has the meaning ascribed to it in NRS 487.007.*

Sec. 16. *“Vehicle” has the meaning ascribed to it in NRS 482.135.*

Sec. 17. *1. A person who wishes to obtain a salvage title or nonrepairable vehicle certificate from the Department must submit:*

(a) A completed application, including a description of the vehicle, on the form provided by the Department;

(b) Evidence of the ownership of the vehicle, consisting of any of the following:

(1) A certificate of title issued by the Department, or a comparable document of title issued by a public authority of another state, territory or country;

(2) A salvage title;

(3) A nonrepairable vehicle certificate;

(4) Proof of compliance with the provisions of NRS 108.265 to 108.360, inclusive, in the form required by the Department, if the vehicle has been acquired through the enforcement of a lien obtained pursuant to NRS 108.270; or

(5) Such other evidence as the Department requires to establish ownership of the vehicle; and

(c) The fee set forth in NRS 487.810, if applicable.

2. The materials required by this section must be submitted to the Department of Motor Vehicles, Central Services and Records Division, Salvage Unit Office, 555 Wright Way, Carson City, Nevada 89711-0750. The materials must be delivered personally or mailed by registered or certified mail.

3. If an applicant strictly complies with all the requirements of this section, the Department will issue a salvage title or nonrepairable vehicle certificate within 2 business days after all the materials are received by the Salvage Unit.

4. The Director interprets “days,” as that term is used in NRS 487.810, to mean business days.

Sec. 18. *If a person transfers the ownership of a salvage vehicle by properly endorsing a salvage title or nonrepairable vehicle certificate, as a result of which all the spaces on the reverse side of the title or certificate are filled in or struck through, the new owner may not transfer the ownership of the vehicle until after he obtains a duplicate salvage title or nonrepairable vehicle certificate.*

Sec. 19. *1. A person licensed by the Department pursuant to chapter 482 or 487 of NRS who replaces the conventional frame of a vehicle shall:*

(a) Provide written disclosure that the frame has been replaced to the person who authorized the replacement. The written disclosure must clearly state whether the replacement frame is:

(1) New or used; and

(2) An original-equipment-manufacturer part or an after-market part.

(b) Provide notice to the owner of the vehicle that he may have a duty to obtain a unique vehicle identification number pursuant to section 4 of this regulation.

2. The owner of the vehicle from which the replacement frame is removed shall obtain a nonrepairable vehicle certificate for that vehicle.

3. A frame that is removed from a vehicle because it is damaged must not be used as a replacement frame in any other vehicle. The person who removes such a frame shall:

(a) Destroy the frame; or

(b) If he obtains written authorization from the Department pursuant to NRS 482.553, destroy the vehicle identification number stamped on or attached to the frame.

4. As used in this section, “conventional frame” means the main longitudinal structural members of the chassis of a vehicle used as the major support in the construction of the vehicle.

Sec. 20. NAC 487.010 is hereby amended to read as follows:

487.010 As used in NAC 487.010 to 487.030, inclusive, unless the context otherwise requires ~~f~~

~~—1.—“Automobile], “automobile wrecker” means any person licensed by the Department pursuant to NRS 487.050 to 487.200, inclusive, who dismantles, scraps, processes or wrecks vehicles that are subject to the registration laws of Nevada.~~

~~[2.—“Department” means the Department of Motor Vehicles.~~

~~—3.—“Manufactured Housing Division” means the Manufactured Housing Division of the Department of Business and Industry.~~

~~4. “Salvage title” means a title of ownership issued by the Department to an automobile wrecker authorizing the disposal of the vehicle identified on the salvage title.]~~

Sec. 21. NAC 487.015 is hereby amended to read as follows:

487.015 1. Except as otherwise provided in subsection 2, *and NRS 487.260*, an automobile wrecker shall not dismantle, scrap or wreck any vehicle:

(a) If he is notified by the ~~[Department]~~ *state agency* that the vehicle is not to be dismantled, scrapped or wrecked.

(b) ~~[Until he has applied for and been issued]~~ *Unless he possesses* a salvage title ~~[by the Department.]~~ *or nonrepairable vehicle certificate for the vehicle.*

2. An automobile wrecker who submits an application ~~[in the manner required by NAC 487.021 may proceed to]~~ *pursuant to section 17 of this regulation may* dismantle, scrap or wreck the vehicle if *5 or more business days elapse after the submission of the application and* he does not receive from the Department:

(a) A salvage title ~~[within 5 business days after the date his application for the salvage title is delivered or mailed to the Department; or~~

~~—(b) Prior notification]~~ ;

(b) A nonrepairable vehicle certificate; or

(c) Notification that the vehicle is not to be dismantled, scrapped or wrecked.

~~[3. As used in this section, “business day” does not include Saturday, Sunday or any legal holiday.]~~

Sec. 22. NAC 487.021 is hereby amended to read as follows:

487.021 ~~[1.—An]~~ *Except as otherwise provided in NRS 487.810, an* automobile wrecker who ~~[applies]~~ *wishes to apply* for a salvage title *or nonrepairable vehicle certificate* must

~~[submit to the Department:~~

~~—(a) A completed letter of transmittal, in the form prescribed by the Department, containing a description of the vehicle; and~~

~~—(b) Evidence of the ownership of the vehicle, consisting of any of the following:~~

~~——(1) A certificate of ownership issued by the Department or the Manufactured Housing Division or a document of title issued by a public authority of another state, territory or country;~~

~~——(2) A salvage title, if the vehicle has been acquired from another automobile wrecker;~~

~~——(3) A bill of sale of salvage, if the vehicle has been acquired from an insurance company or salvage pool;~~

~~——(4) Proof of compliance with the provisions of NRS 108.265 to 108.360, inclusive, in the form required by the Department, if the vehicle has been acquired through the enforcement of a lien obtained pursuant to NRS 108.270; or~~

~~——(5) Such other evidence as the Department requires to establish ownership of the vehicle.~~

~~—2. The documents required by this subsection must be submitted to the Department of Motor Vehicles, 555 Wright Way, Carson City, Nevada 89711-0750. The documents must be delivered personally or mailed by registered or certified mail.] *comply with the requirements set forth in section 17 of this regulation.*~~

Sec. 23. NAC 487.025 is hereby amended to read as follows:

487.025 An automobile wrecker who sells a *salvage* vehicle must provide the purchaser with:

1. A salvage title ~~[issued]~~ for the vehicle ~~[to the automobile wrecker];~~

~~—2. A bill of sale and a bill of sale of salvage, if the vehicle has been acquired from an insurance company or salvage pool;]~~ ;

2. *A nonrepairable vehicle certificate for the vehicle;* or

3. If the vehicle has been acquired through the enforcement of a lien obtained pursuant to NRS 108.270 or 487.270:

(a) A certificate of ~~[ownership]~~ *title* issued by the Department ; or

(b) A certificate of ownership issued by the Manufactured Housing Division . ~~[:or~~

~~—(b) A document of title issued by a public authority of another state, territory or country.]~~

Sec. 24. NAC 487.100 is hereby amended to read as follows:

487.100 As used in NAC 487.100 to 487.180, inclusive, unless the context otherwise requires:

1. “After-market body part” means a sheet metal or plastic part which is used to replace a part on the exterior of a motor vehicle and which ~~is:~~

~~—(a) Nonmechanical;]~~ :

(a) Is nonmechanical; and

(b) Has not been manufactured for or by the original manufacturer of the vehicle being repaired.

↪ The term includes the inner and outer *body* panels of a motor vehicle.

2. “Body shop” has the meaning ascribed to it in NRS 487.600.

3. “Used body part” means a sheet metal or plastic part which is used to replace a part on the exterior of a motor vehicle and which:

(a) Has been previously used;

(b) Is nonmechanical; and

(c) Has been manufactured for or by the original manufacturer of the vehicle being repaired.

↪ The term includes the inner and outer *body* panels of a motor vehicle.

Sec. 25. NAC 487.200 is hereby amended to read as follows:

487.200 1. Except as otherwise provided in subsection 2, if the Department of Motor Vehicles imposes administrative fines pursuant to the provisions of NRS ~~487.700~~ **487.990**, 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 ~~nor~~ **and not** more than \$500.

(b) For a second offense, a fine of not less than \$500 ~~nor~~ **and not** more than \$1,000.

(c) For a third offense, a fine of not less than \$1,000 ~~nor~~ **and not** more than \$1,500.

(d) For a fourth or subsequent offense, a fine of not less than \$1,500 ~~nor~~ **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 may impose a fine of not less than \$1,500 ~~nor~~ **and not** more than \$2,500 for any violation of NRS 487.050, 487.410 or 487.610.

3. Any person who has been fined pursuant to the provisions of NRS ~~487.700~~ **487.990** 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 may suspend, revoke or refuse to issue any license obtained pursuant to the provisions of this chapter.