

**ADOPTED REGULATION OF THE
DEPARTMENT OF MOTOR VEHICLES**

LCB File No. R084-02

Effective September 11, 2002

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

AUTHORITY: §§1-4, NRS 482.160 and 482.400.

Section 1. Chapter 482 of NAC is hereby amended by adding thereto the provisions set forth as sections 2, 3 and 4 of this regulation.

Sec. 2. *As used in sections 2, 3 and 4 of this regulation, unless the context otherwise requires, “dealer reassignment of title form” means a form provided by the department pursuant to NRS 482.400 for use by a dealer for the transfer of ownership of a vehicle.*

Sec. 3. *A dealer may use a dealer reassignment of title form to transfer the ownership of a vehicle if:*

1. The certificate of ownership is not available at the time of the transfer for any reason other than the certificate of ownership is being held by a lienholder or has been lost or stolen;

or

2. The spaces provided on the reverse side of the certificate of ownership have been filled in or struck through.

Sec. 4. *1. If a dealer uses a dealer reassignment of title form to transfer the ownership of a vehicle, the dealer shall, before he submits documentation concerning the transaction to the department:*

(a) Write the number of the dealer reassignment of title form in the upper right corner of the reverse side of the certificate of ownership for the vehicle;

(b) Attach the dealer reassignment of title form to the certificate of ownership;

(c) Strike through any spaces on the reverse side of the certificate of ownership that remain unfilled; and

(d) If the buyer is not a dealer, provide the buyer with an opportunity to examine:

(1) The certificate of ownership or a photocopy of the certificate of ownership; and

(2) Any power of attorney for the purpose of mileage disclosure that was given to the dealer in connection with his acquisition of the vehicle.

2. As used in this section:

(a) "Buyer" means any person:

(1) To whom ownership of a vehicle is transferred by purchase, gift or any means other than the creation of a security interest; or

(2) Who signs an odometer disclosure statement as an agent for a buyer.

(b) "Power of attorney for the purpose of mileage disclosure" means the form described in 49 C.F.R. § 580.13.

NOTICE OF ADOPTION OF PROPOSED REGULATION
LCB File No. R084-02

The Department of Motor Vehicles adopted regulations assigned LCB File No. R084-02 which pertain to chapter 482 of the Nevada Administrative Code on August 9, 2002.

Notice date: 5/20/2002

Date of adoption by agency: 8/9/2002

Hearing date: 6/20/2002 & 6/25/2002

Filing date: 9/11/2002

INFORMATIONAL STATEMENT

R084-02 was noticed on May 20, 2002 and posted in all Nevada Department of Motor Vehicle offices and in the County Public Library in counties where a Department office is not located. There was no public comment. Interested parties were advised a copy of the proposed regulations could be obtained by contacting the Department of Motor Vehicles.

There was one person in attendance at the workshop and hearing held in Reno, who did not testify. In Las Vegas, there were two people in attendance, and provided testimony. Comments from interested parties included, Wayne A. Frediani, representing Nevada Franchised Auto Dealers Association, and Dan Wulz, Clark County Legal Services. Mr. Frediani supported the regulations as written and recommended adoption with no changes. Mr. Wulz submitted written comment on May 30, 2002, and also provided testimony at the hearing in Las Vegas. Mr. Wulz' written statement expressed concern with the use of the Reassignment of Title form as it relates to Federal law, 49 U.S.C. §32705(b); he did not feel NHTSA had the authority to create this method to disclose mileage. Department research found this statement not to be accurate. 49 C.F.R. § 580.4 requires that "any other documents which are used to reassign the title shall be set forth by a secure process." To further support this position, NHTSA states "While separate reassignment documents are not mentioned in the Truth in Mileage Act, they are often an integral part of the transfer process. Since reassignment documents are a logical extension of the title, requiring secure reassignment documents is a logical extension of the statutory requirements." (53 FR 29467, August 5, 1988). At the hearing on June 25, 2002 in Las Vegas, Mr. Wulz stated that he agreed federal law leaves the option for the use of a reassignment form open and at the discretion of the state. Mr. Wulz closed stating the proposed regulations are an improvement and a step in the right direction to help uncover fraud or attempted fraud, and address his concerns. The Department also received written testimony from Jack Stanko, President, Champion Chevrolet. Mr. Stanko suggested changes in language to allow the customer to view either the certificate of ownership, or if a certificate of ownership is not available, a power of attorney used for disclosing odometer mileage. His suggestion has been incorporated into the proposed regulation. Additionally, after conversations with the vehicle industry, Russ Benzler, Administrator, Compliance Enforcement Division suggested changing language in Section 3.1 from "*The certificate of ownership is not in the possession of the dealer at the time of the transfer for any reason other than the certificate of ownership is being held by a lienholder or has been lost or stolen*" to "*The certificate of ownership is not available at the time of the transfer for any reason other than the certificate of ownership is being held by*

a lienholder or has been lost or stolen.” This change has also been incorporated into the proposed regulation document.

Comments were solicited from affected business by public notices and directly by mail, through the New Car Dealers Association.

There is no additional cost to the agency for enforcement of this regulation.

There are no other state or government agency regulations that the proposed amendments duplicate.

This regulation does not provide or involve a new fee, therefore, since no fee is involved, there is not a total amount expected to be collected or used.