

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

LCB File No. R143-04

Effective September 10, 2004

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

AUTHORITY: §1, NRS 482.330; §2, NRS 482.330 and 482.565; §3, NRS 482.160 and 482.565.

A REGULATION relating to motor vehicles; providing, under certain circumstances, for the issuance of additional special license plates by the Department of Motor Vehicles to dealers or rebuilders for use on motor vehicles loaned by those dealers or rebuilders; and providing other matters properly relating thereto.

Section 1. NAC 482.040 is hereby amended to read as follows:

482.040 1. ~~[The]~~ *Except as otherwise provided in subsection 7, the* Department will issue not more than 40 special license plates to each licensed dealer or rebuilder pursuant to the provisions of subsection 3 of NRS 482.330.

2. Each special license plate issued pursuant to the provisions of subsection 1 must be inscribed with the word “LOAN” and include not less than four numbers.

3. The Department will collect the fee required pursuant to NRS 482.490 for the issuance of each special license plate.

4. Each special license plate expires on December 31 of each calendar year. A dealer or rebuilder must, before the special license plate expires, submit an application to the Department to renew the special license plate.

5. Except as otherwise provided in subsection 6, a licensed dealer or rebuilder who is issued a special license plate pursuant to the provisions of this section is subject to administrative

sanctions in accordance with the provisions of NRS 482.565 for any use of the special license plate that is not authorized by NAC 482.042 or 482.0425.

6. If a special license plate is lost or stolen, the dealer or rebuilder to whom the special license plate is issued is not subject to administrative sanctions in accordance with the provisions of NRS 482.565 if he reports the loss or theft to the Department on the first working day after he becomes aware of the loss or theft.

7. The Department may issue an additional number of special license plates to a dealer or rebuilder who applies for an additional number of special license plates pursuant to subsection 8.

8. If a dealer or rebuilder has entered into an agreement with a manufacturer of vehicles concerning the sale and service of vehicles which are loaned to customers and that agreement conflicts with the limitation on the number of special license plates that may be issued pursuant to subsection 1, the dealer or rebuilder may apply to the Department to have an additional number of special license plates issued to him. The application must be submitted on a form prescribed by the Department and must include:

(a) A copy of the provision of the agreement that conflicts with the limitation on the number of special license plates set forth in subsection 1;

(b) The number of special license plates requested pursuant to this subsection;

(c) A statement justifying the number of special license plates requested pursuant to this subsection which is based on the number of work or service orders issued by the dealer or rebuilder for vehicles of the same make and line as the vehicles which are covered by the agreement;

(d) A statement signed by the dealer or rebuilder attesting to the fact that any special license plates requested pursuant to this subsection will be used only on new vehicles which are of the same make and line as the vehicles which are covered by the agreement; and

(e) A description of each vehicle on which a special license plate issued pursuant to this subsection will be displayed, including, without limitation, the year, make, model and vehicle identification number.

Sec. 2. NAC 482.042 is hereby amended to read as follows:

482.042 1. Except as otherwise provided in subsection 3, a licensed dealer or rebuilder who is issued a special license plate pursuant to the provisions of NAC 482.040 shall not allow the use of the special license plate on a vehicle that is loaned to a customer in the course of business unless:

(a) The vehicle constitutes inventory held for sale by the dealer or rebuilder; and

(b) The customer has not used any of the special license plates issued to the dealer or rebuilder for more than 10 days in a calendar year.

2. A licensed dealer or rebuilder shall maintain a written record of each vehicle that is loaned to a customer in the course of business and on which a special license plate is displayed. The written record must be maintained at the established place of business of the dealer or rebuilder and must be made available for inspection during normal business hours by an authorized agent of the Department. The written record must include:

(a) The vehicle identification number and stock number of the vehicle.

(b) The number of the special license plate.

(c) Each date on which the special license plate was displayed ~~is~~, *except that this information does not need to be included if the special license plate was issued pursuant to subsection 7 of NAC 482.040.*

(d) The name of the customer that the dealer or rebuilder authorized to use the special license plate.

(e) The number assigned to the work or service order required pursuant to subsection 3 if the special license plate has been displayed more than 10 days in a calendar year ~~is~~ *or required pursuant to subsection 4.*

3. A licensed dealer or rebuilder who has possession of a customer's vehicle to repair or service the vehicle may allow the use of a special license plate for more than 10 days in a calendar year if:

(a) The intended repair or service is documented in writing on a work or service order which has been signed by the customer; and

(b) The intended repair or service cannot reasonably be completed within 10 days.

4. In addition to the requirements set forth in subsections 1, 2 and 3 of this section, a dealer or rebuilder who is issued a special license plate pursuant to the provisions of subsection 7 of NAC 482.040 shall ensure that each vehicle on which a special license plate is displayed:

(a) Is clearly identified:

(1) As a vehicle which is loaned to customers; and

(2) With the name of the dealer or rebuilder; and

(b) Is used only in connection with a verifiable work or service order.

5. A special license plate issued pursuant to subsection 7 of NAC 482.040 must not be used interchangeably on different vehicles. A dealer or rebuilder may transfer a special license plate issued pursuant to subsection 7 of NAC 482.040 to a different vehicle if:

(a) He first provides in writing to the Department, the information required pursuant to paragraph (e) of subsection 8 of NAC 482.040 for the vehicle upon which the special license plate will be displayed; and

(b) The special license plate has not yet expired pursuant to the provisions of subsection 4 of NAC 482.040. If the special license plate has expired, a dealer or rebuilder is required to pay to the Department the fee required pursuant to NRS 482.490 before transferring the special license plate to a different vehicle.

6. For any violation of the provisions of subsections 4 and 5, the Department may:

(a) Impose an administrative fine in accordance with the provisions of NRS 482.565 in the amount of \$200 per day, but not to exceed a total of \$2,500; and

(b) Cancel any special license plate issued pursuant to subsection 7 of NAC 482.040.

Sec. 3. NAC 482.930 is hereby amended to read as follows:

482.930 1. Except as otherwise provided in subsection 2 ~~and~~ *and NAC 482.042*, if the Department imposes administrative fines pursuant to the provisions of NRS 482.565, 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 more than \$500.

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

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

(d) For a fourth or subsequent offense, a fine of not less than \$1,500 nor more than \$2,500.

↪ For the purposes of paragraphs (b), (c) and (d) of this subsection, 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 more than \$2,500 for any violation of NRS 482.300, 482.3161, 482.322, 482.362 or 482.363.

3. Any person who has been fined pursuant to the provisions of NRS 482.565 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.

NOTICE OF ADOPTION OF PROPOSED REGULATION
LCB File No. R143-04

The Department of Motor Vehicles adopted regulations assigned LCB File No. R143-04 which pertain to chapter 482 of the Nevada Administrative Code on September 10, 2004.

Notice date: 7/7/2004

Date of adoption by agency:

Hearing date: Carson City 8/16/2004
Las Vegas 8/18/2004

Filing date: 9/10/2004

INFORMATIONAL STATEMENT

The Department of Motor Vehicles noticed and held public workshops in Carson City on July 19, 2004 and in Las Vegas on July 22, 2004. Public Hearings were held in Carson City on August 16, 2004 and August 18, 2004 in Las Vegas. The purpose of the workshops and hearings were to solicit comments and opinion on proposed regulation changes to, under certain circumstances, authorize the issuance of additional special loan license plates to dealers and rebuilders for use on motor vehicles loaned to customers while their vehicle is being repaired. Currently the maximum number of special loan license plates is limited to 40 per licensee.

The notice of public workshops and hearings and complete copies of the proposed regulations were posted on July 7, 2004, at the Nevada State Library and Archives and each office of the Department of Motor Vehicles. In counties where the Department does not maintain an office, the notice was posted at the main office of the public library.

No one was present at the public workshops in Carson City and Las Vegas to present testimony.

Testifying at the hearing in Carson City was Senator Randolph Townsend representing the Nevada State Senate and Wayne Frediani, representing the Nevada Franchised Auto Dealers Association. Senator Townsend testified in support of the proposed regulations and stated Section 1 items 7 and 8 will accommodate both the public and dealer needs. Mr. Frediani also testified in support of the proposed regulations, although, requested clarification of Section 2.4.2 related to the display of the dealer or rebuilders business name identified on the vehicle. Mr. Frediani suggested the name be displayed on the license plate frame.

Testifying in Las Vegas was Bobby McClarey representing Fletcher Jones Lexus. Mr. McClarey testified in support of the proposed regulations with no changes.

The Department will adopt the proposed regulation with no changes.

There are no adverse economic effects of this regulation to the Department, local authorities or the public.

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