

LCB File No. R143-04

PROPOSED REGULATION OF THE DEPARTMENT OF MOTOR VEHICLES

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

AUTHORITY: NAC 482.040

NAC 482.040 Vehicles loaned: Maximum number of plates to be issued; inscription; fee; expiration and renewal; administrative sanctions. (NRS 482.330)

1. *Except as otherwise provided in subsection 7, ~~the~~* 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. If the limitation on the number of special plates specified in subsection 1 conflict with the provisions of any Sales and Service Agreement between a vehicle dealer and a vehicle manufacturer related to loan vehicles the affected dealer may apply to the department for consideration of a supplemental number of special plates. The application must:

(a) Be on a form provided by the Department.

(b) Include a copy of the Sales and Service agreement section containing the conflicting provisions.

(c) Specify the number of supplemental plates requested.

(d) Include justification to support the number of supplemental plates requested. The justification must be based upon the number of vehicle repair or service orders issued by the dealer for vehicles of the same make and line covered by the Sales and Service Agreement.

(e) Include a statement signed by the dealer attesting to the fact that the requested supplemental plates will only be used on new vehicles of the same make and line covered by the Sales and Service Agreement.

(f) Include the year, make, model, and identification number of each vehicle to which a supplemental plate will be assigned.

NAC 482.042 Vehicles loaned to customer in course of business: Restrictions on use of plates; maintenance, availability and contents of records. (NRS 482.330)

1. Except as otherwise provided in subsection 3 *and subsection 4*, 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.

(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.

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 any applicable limitations or conditions included in this section, a dealer who is granted supplemental special plates pursuant to NAC 482.040 shall:

(a) Ensure vehicles upon which a special plate will be placed are clearly identified with the dealers name and a statement that the vehicle is a service loan vehicle.

(b) Ensure vehicles with supplemental special plates are only used in connection with a valid and verifiable vehicle service repair order.

5. Supplemental special plates issued pursuant to NAC 482.040 may not be used interchangeably.

(a) Before transferring a supplemental special plate to a vehicle the transferring dealer shall supply the information required by subsection 4(a) for the new vehicle to the Department and pay the plate fee specified in NRS 482.490.

6. Violation of the conditions specified in subsections 4 and 5 of this section shall subject the dealer to an administrative fine of \$200 per day. In addition to the fines imposed by this subsection, the Department may cancel any supplemental plates issued pursuant to NAC 482.040 for violations of this section.