

NAC Chapter 482

LCB File No. T014-08

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

Filed with the Secretary of State on March 4, 2009

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

AUTHORITY: § 1, NRS 481.051, NRS 482.160, NRS 482.3263, NRS 482.31771 to NRS 482.31776 inclusive.

A REGULATION relating to motor vehicles; defining certain requirements for dealers, rebuilders, manufacturers, distributors and brokers to keep and maintain the books and records of their business transactions and; defining certain requirements for dealers who engage in the consignment of vehicles for sale that are owned by another person.

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

1. In addition to the provisions of chapter 482 of NRS, every licensed dealer and broker in this state shall maintain all books and records associated with every vehicle purchased, taken in trade or otherwise acquired, sold, traded, bartered or disposed of through the operation of a dealership or vehicle brokerage businesses.

2. Books and records include, but are not limited to;

a. Dealer file folders or “jackets” for every vehicle purchased, sold or otherwise transacted through the operation of the dealership or brokerage.

b. Receipts for all vehicles purchased by the dealership.

c. A copy of bills of sale for every vehicle sold by the dealer as part of a wholesale transaction by the dealer.

d A copy of every completed, cancelled, terminated or rescinded contract of retail sale together with a copy of each supporting document applicable to the completed, cancelled, terminated or rescinded contract.

e. The dealer's copy of every Nevada dealer's report of sale issued by the dealer.

f. All copies available of every cancelled Nevada dealer's report of sale.

g, A record or copy of every dealer temporary placard issued by the dealer together with identification of the vehicle and the buyer of the vehicle the placard was assigned to.

1) Identification of the buyer shall include a legible photocopy of the buyer's driver's license or identification card.

h. Copies of all receipts for down payments, vehicle trade- in information, lien holder pay off information and receipts for pay off, due bills, warranties, factory or dealer allowances or rebates made by the dealer as are specific to each vehicle sale transaction made by the dealer.

i. Copies of receipts or contracts for all after market product warranties or vehicle maintenance and other supplemental costs and or fees added to the total sales price of the vehicle sold.

j. The original or a copy of the front and back of the title or certificate of ownership for every vehicle purchased or sold by the dealer.

k. A record of every vehicle floored or financed by the dealer as part of the dealer's inventory to include, but not be limited to;

1) The date the vehicle was floored or financed as part of the dealer's inventory.

2) The name and address of the person or persons, business or businesses flooring or financing the dealer's inventory.

3) *The terms of inventory flooring or financing.*

4) *The date the flooring or financing debt for the vehicle was satisfied.*

1. *Upon receipt of formal notice by the Department, any other record or document the Department deems necessary to be kept and maintained by the dealer or broker.*

3. *A dealer or broker shall maintain all books and records specified by NRS or NAC and shall make them available for inspection by any authorized representative of the Department as specified by NRS for not less than 7 years a the execution of the document or record.*

Section 2. Definitions: “Flooring” defined.

1. *The term “flooring” as used in this section means that portion of a dealer’s vehicle inventory that is owned by another person, financial institution or other lender under any form of contract or agreement that requires the dealer satisfy the financial interest held in an inventory vehicle by the person, financial institution or lender within a specific period of time after the retail sale of that vehicle.*

Section 3. Vehicle consignment contracts:

1. *A dealer also described as a “consignee” of a vehicle shall, upon entering into a consignment contract or other form of agreement to sell a vehicle owned by another person also described as the “consignor” of a vehicle, prepare a formal written consignment contract specifying the terms and conditions of the consignment agreement.*

2. *The formal written consignment agreement shall conform to and contain the information specified in NRS 482.31775.*

3. *A dealer shall not display or offer a vehicle owned by another person for sale until such time as a formal written consignment agreement or the consignment contract described by*

NRS 482.31775 and NRS 482.31776 inclusive; has been executed between the dealer or consignee and vehicle owner or consignor.

Section 4. Definitions:

- 1. “Consignee”, has the meaning ascribed to it by NRS 482.31772.*
- 2. “Consignor” means the owner, registered owner or lien holder of a vehicle.*
- 3. “Consignment” has the meaning ascribed to it by NRS 482.31773.*
- 4. “Consignment contract” has the meaning ascribed to it by NRS 482.31774.*

**NOTICE OF ADOPTION OF TEMPORARY REGULATION
LCB File T014-08**

The Department of Motor Vehicles submits the following statement. The Department adopts a temporary regulation assigned LCB File T014-08, which pertains to Chapter 482 of the Nevada Administrative Code, relating to motor vehicles. The regulation defines certain requirements for dealers, rebuilders, manufacturers, distributors and brokers. Specifically, the regulation provides for keeping and maintaining the books and records of business transactions. The regulation also defines certain requirements for dealers who engage in the consignment of vehicles for sale that are owned by another person.

WORKSHOP

Teleconferenced Reno Location to Las Vegas Location
Thursday, January 08, 2009 at 10:00 am

Washoe County Government Complex
1001 East Ninth Street, Building C., Room 110
Reno, Nevada 89512

Nevada Department of Motor Vehicles
Emissions Training Building
2701 East Sahara Avenue
Las Vegas, Nevada 89104

Public Workshop Notice Date: December 4th, 2008

HEARING

Teleconferenced Reno Location to Las Vegas Location
Thursday, January 09, 2009 at 10:00 am

Washoe County Government Complex
1001 East Ninth Street, Building C., Room 110
Reno, Nevada 89512

Nevada Department of Motor Vehicles
Emissions Training Building
2701 East Sahara Avenue
Las Vegas, Nevada 89104

Public Hearing Notice Date: December 4th, 2008

Date of Adoption by Agency: January 23, 2009

INFORMATIONAL STATEMENT

A description of how public comment was solicited, a summary of public response, and explanation how other interested persons may obtain a copy of the summary. The Department of Motor Vehicles noticed the public workshop and hearing for LCB File R014-08 on December 4th, 2008 by posting at the Nevada State Library and Archives and each office of the Department of Motor Vehicles. The notice was posted at the main office of the public libraries in counties where the Department does not maintain an office. Special notice was also mailed to those persons who have requested to be placed on an Interested Parties special notice mailing list.

There was no comment or testimony from any member of the public during the Public Workshop or Public Hearing. The Department did not receive written comment from any member of the public. During the December 8th Public Workshop a Department of Motor Vehicles Program Officer did make note of a typographical error on page one, section 2b. The word purchases should be changed to the word purchased.

A description of how comment was solicited from affected businesses, a summary of their response and an explanation how other interested persons may obtain a copy of the summary: The Department of Motor Vehicles noticed the public workshop and hearing for LCB File R014-08 on December 4th, 2008 by posting at the Nevada State Library and Archives and each office of the Department of Motor Vehicles. The notice was posted at the main office of the public libraries in counties where the Department does not maintain an office. Special notice was also mailed to those persons who have requested to be placed on an Interested Parties special notice mailing list.

No comment or testimony was given by any member of an affected business at the Public Workshop or Public Hearing. The Department did not receive written comment from any member of an affected business.

A copy of the minutes for the public workshop and public hearing may be obtained by contacting the Department of Motor Vehicles Compliance Enforcement Division by telephone at (775) 684-4805.

A copy of the minutes for the public workshop and public hearings may be obtained by contacting the Department of Motor Vehicles Compliance Enforcement Division in writing at the following address:

Nevada Department of Motor Vehicles
Compliance Enforcement Division
555 Wright Way
Carson City, Nevada 89711-0900
Attention: Ivie Harper Administrative Assistant III

The number of persons who attended each Public Workshop: Thirteen individuals attended the Public Workshop in Las Vegas on January 8th, 2009.

A summary of testimony at each Public Workshop: No individuals representing the general public or affected businesses provided testimony. Department of Motor Vehicles Program Officer Debbie Shope noted a typographical error on page one, section 2b. The word purchases should be changed to the word purchased.

The number of persons who attended each Public Hearing: Five individuals attended the Public Hearing in Reno on January 9th, 2009.

A summary of testimony at each Public Hearing: There was no comment at the Public Hearing on January 9th, 2009.

A summary of written comments submitted to the agency: The notice for the Public Workshop and Public Hearing invited written comments from the public and affected businesses, with a deadline for written comments to be received by January 07, 2009. No written comment was received

If the regulation was adopted without changing any part of the proposed regulation, list a summary of the reasons for adopting the regulation without change. The Department adopts the temporary regulation language as written in the proposed document.

List the estimated economic effect of the adopted regulation on the businesses that it is to regulate and on the public. These must be stated separately, and each case must include:

(a) Both adverse and beneficial effects; and

(b) Both immediate and long-term effects.

(a) There is no estimated economic effect on the affected businesses, either adverse or beneficial, nor immediate or long-term.

(b) There is no estimated economic effect on the public, either adverse or beneficial, nor immediate or long-term.

List the estimated cost to the agency for enforcement of the adopted regulation: There is no additional cost to the agency for enforcement of this regulation.

List a description of any regulations of other state or government agencies that the proposed regulation overlaps or duplicates, and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, list the name of the regulating federal agency: There are no other state or federal government agency regulations that this adopted regulation duplicates.

If the regulation includes provisions that are more stringent than a federal regulation that regulates the same activity, a summary of such provisions: There are no federal regulations that regulate the same activity as the adopted regulation.

If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used: This regulation does not provide or involve a new fee. A total fee amount is not expected to be collected or used.