

PROPOSED REGULATION OF THE DIRECTOR OF THE DEPARTMENT OF MOTOR VEHICLES

LCB File No. R045-12

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

AUTHORITY: NRS 485.130.

Section 1. NAC chapter 485 is hereby amended in sections 2 to 6 to read as follows:

Sec. 2. 485.028 1. As used in NRS 485.0335, the Department will interpret the phrase:

(a) “Extended period” to mean:

(1) With respect to a motor vehicle for which the owner failed to cancel the registration and which will not be operated because of mechanical circumstances, a period of not less than 30 days and not more than 6 months.

(2) With respect to a motor vehicle for which the owner failed to cancel the registration and which will not be operated because of seasonal circumstances, a period of not less than 3 months.

(b) “Mechanical circumstances” to mean that the components or systems of a motor vehicle have failed to such an extent that the vehicle cannot be operated.

(c) “Seasonal circumstances” to mean that a motor vehicle is not used during certain periods of the year because of weather or other factors which make operation of the vehicle during those periods undesirable, unnecessary or impractical.

2. As used in this section, “components or systems of a motor vehicle” means the engine, brake system, transmission system, drivetrain system, heating and air-conditioning system, cooling system, or muffler and exhaust system.

3. *A registered owner of a motor vehicle may only be granted one dormant vehicle reduction in reinstatement fees for mechanical circumstances or seasonal circumstances per registered vehicle.*

Sec. 3. 485.153 1. If a motor vehicle liability policy covering a motor vehicle that is required to be registered in this State pursuant to NRS 482.205 is issued~~[,]~~ or amended ~~or terminated~~, the ~~owner of the motor vehicle~~ *insurance company* shall notify the Department ~~[not later than 7 days after the effective date of the issuance or amendment or termination of the policy]~~ *on or between the 1st and 7th calendar day of each month in a form prescribed by the Department in the list of specifications published by the Department.*

~~[2. The notice required by subsection 1 must be in the form prescribed by the Department and include, without limitation:~~

~~(a) The company code assigned to the insurer by the National Association of Insurance Commissioners or the name of the insurer as it appears on the evidence of insurance provided to the owner by the insurer;~~

~~(b) The policy number;~~

~~(c) The effective date of the policy or the amendment to the policy;~~

~~(d) The expiration or termination date of the policy; and~~

~~(e) Any other information required by the Department.~~

~~3. An authorized agent of the owner of the motor vehicle may submit, on behalf of the owner, any information required pursuant to this section or any additional information to amend or correct any information previously submitted to the Department pursuant to this section.]~~

Sec. 4. 485.155 1. An insurer that is required to maintain a record of a motor vehicle liability policy pursuant to subsection 1 of NRS 485.314 shall ensure that the record includes:

(a) The motor vehicle liability policy provides tort liability in the State of Nevada pursuant to NRS 485.185.

~~(b)~~ The full legal name of each natural person, company or other entity that is added to or removed from the motor vehicle liability policy;

~~(c)~~ The identification number of each named insured that is added to or removed from the motor vehicle liability policy, if the named insured is:

(1) A natural person who is a resident of this State and is covered by an operator's policy of liability insurance or who owns or operates a fleet of vehicles; or

(2) A company or other legal entity that owns or operates a fleet of vehicles;

~~(d)~~ The vehicle identification number of each motor vehicle, other than a vehicle that is registered as part of a fleet of vehicles and described in paragraph (b) of subsection 5 of NRS 482.215, that is added to or removed from the motor vehicle liability policy;

~~(e)~~ The company code assigned to the insurer by the National Association of Insurance Commissioners;

~~(f)~~ The number, effective date and expiration or termination date of the policy;

~~(g)~~ The identification of the policy as:

(1) An owner's policy for the payment of tort liabilities arising from the maintenance or use of a motor vehicle as described in NRS 485.185;

(2) An operator's policy of liability insurance as described in NRS 485.186; or

(3) A policy for the payment of tort liabilities arising from the maintenance or use of a motor vehicle issued to a natural person, company or other entity that owns or operates a fleet of motor vehicles;

~~(h)~~ Data that identifies any incorrect information that the insurer provided to the Department previously, accompanied by new and accurate information; and

~~(i)~~ *If a Nevada motor vehicle liability policy covering a motor vehicle that is required to be registered in this State pursuant to NRS 482.205 is issued, amended or terminated, the insurance company shall provide in their database no later than 10 days after the effective date of the issuance, and not later than 7 days after the effective date of the amendments or terminations of the policy, to provide query by the department.*

~~(j)~~ Any other information required by the Department.

2. As used in this section, "identification number" means:

(a) The Nevada driver's license number of a natural person.

(b) The federal employer identification number of a company or other legal entity.

Sec. 5. 485.157 1. An electronic query by the Department requesting an insurer to verify a motor vehicle liability policy through a system created pursuant to NRS 485.313 will include, without limitation:

(a) The full legal name of the owner of the motor vehicle that is the subject of the query;

(b) The vehicle identification number of the motor vehicle that is the subject of the query;

(c) The policy number; and

(d) The company code assigned to the insurer by the National Association of Insurance Commissioners.

2. Upon receipt of such a query from the Department, an insurer shall transmit a response using the system to the Department within the period set forth in the list of specifications published by the Department.

3. The response to the query by the insurer must indicate that the insurer confirms the validity of the insurance or that the validity of the insurance is unconfirmed.

4. A statement that the insurance is confirmed must be provided if:

(a) Information included in the query transmitted by the Department matches information maintained by the insurer which indicates that the insurer has issued or amended a motor vehicle liability policy that covers the vehicle which is the subject of the query;

(b) The motor vehicle liability policy identified in the query:

(1) Meets the requirements set forth in NRS 485.185; and

(2) Is effective on the date specified in the query; and

(3) Is written specific as a Nevada liability policy; and

(c) The insurer:

(1) Is an insurance company licensed by the Division of Insurance of the Department of Business and Industry and approved to do business in this State as required by NRS 485.185; and

(2) Has provided evidence of insurance to the insured as required by NRS 690B.023.

5. If an insurer responds to a query that the insurance is unconfirmed, the insurer may include in its response a reason why the query is unconfirmed. The reason must be identified in conformity with the list of specifications published by the Department.

Sec. 6. 485.175 1. If on ~~two or more~~ ***any*** occasion ~~is within a 12-month period~~:

(a) The system maintained by an insurer to respond to an electronic query by the Department requesting the insurer to verify a motor vehicle liability policy:

(1) Is unavailable and the insurer fails to notify the Department; or

(2) Is unavailable for a total of 24 hours or more per month; or

(b) An insurer fails to ~~submit~~ ***update*** records required pursuant to NAC 485.160, ~~485.165~~ or 485.170~~;~~ ***;*** or

(c) An insurer fails to maintain records indicated in NAC 485.157; or

(d) Coverage response is not consistent for the same vehicle for the same date; or

(e) Confirms a policy written for a state or jurisdiction other than Nevada; or

(f) Confirms a policy that does not meet requirements of NRS 485.185 or 485.186; or

(g) Not storing lapse dates or expiration dates; or

(h) Been found to have violated any of the provisions of this chapter.

↳the Department will consider the insurer to be in noncompliance with the provisions of NRS 485.314.

2. If the Department determines pursuant to subsection 1 that an insurer is in noncompliance with NRS 485.314, the Department will notify the Commissioner of Insurance and will not provide to that insurer information regarding:

(a) A driver's license;

(b) The registration of a vehicle; or

(c) The title of a vehicle,

↳ until such time as the Department receives from that insurer a response to each electronic query to which the insurer failed to respond while its system was unavailable ~~for each record that the insurer previously failed to submit~~.