

**PROPOSED REGULATION OF THE
DEPARTMENT OF MOTOR VEHICLES AND PUBLIC SAFETY**

LCB File No. R117-99

September 27, 1999

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

AUTHORITY: §§ 1 to 8, NRS 482.330.

Section 1. Chapter 482 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 6, inclusive, of this regulation.

Sec. 2. *As used in NAC 482.040 to 482.048, inclusive, and sections 2 to 6, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 3 and 4 of this regulation have the meanings ascribed to them in those sections.*

Sec. 3. *“Agency or organization” means:*

- 1. The State of Nevada;*
- 2. The University and Community College System of Nevada;*
- 3. A school district;*
- 4. A county, city or town; or*
- 5. An organization that is exempt from taxation pursuant to the provisions of section 501(c)(3) of the Internal Revenue Code.*

Sec. 4. *“Customer in the course of business” means a person who:*

- 1. Purchases or leases goods or services at retail from a dealer or rebuilder who is licensed by the department to sell or lease those goods or services; or*

2. Has his vehicle repaired or serviced by or through a licensed dealer or rebuilder.

Sec. 5. 1. 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 an agency or organization unless the vehicle constitutes inventory held for sale by the dealer or rebuilder.

2. A licensed dealer or rebuilder shall maintain a written record of each vehicle that is loaned to an agency or organization 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 business name of the dealer or rebuilder;*
- (b) The number of the business license of the dealer or rebuilder;*
- (c) The name of the agency or organization to which the vehicle is loaned by the dealer or rebuilder;*
- (d) The vehicle identification number and stock number of the vehicle;*
- (e) The number of the special license plate;*
- (f) The date on which the vehicle is loaned to the agency or organization;*
- (g) A statement indicating that a policy of liability insurance has been obtained for the vehicle;*
- (h) The name, title and signature of:*
 - (1) The person acting on behalf of the agency or organization; and*
 - (2) The licensed dealer or rebuilder or person acting on behalf of the licensed dealer or rebuilder; and*

(i) If the vehicle is loaned to an organization that is exempt from taxation pursuant to the provisions of section 501(c)(3) of the Internal Revenue Code, a copy of the document issued by the Internal Revenue Service indicating that the organization is exempt from taxation.

Sec. 6. *A vehicle displaying a special license plate that is loaned by a licensed dealer or rebuilder to:*

- 1. A customer in the course of business, may be used by that customer for any purpose;*
- 2. The State of Nevada, may be used by an officer or employee of this state in the furtherance of the business of this state;*
- 3. The University and Community College System of Nevada, may be used by a coach, employee or member of the faculty of the system for any purpose authorized by the system;*
- 4. A school district, may be used by an officer or employee of the school district in the furtherance of the business of the school district;*
- 5. A county, city or town, may be used by an officer or employee of that county, city or town in the furtherance of the business of the county, city or town; or*
- 6. An organization that is exempt from taxation pursuant to the provisions of section 501(c)(3) of the Internal Revenue Code, may be used by an officer, employee or agent of the organization in the furtherance of the business of the organization.*

Sec. 7. NAC 482.040 is hereby amended to read as follows:

- 482.040 1. ~~In accordance with the provisions of subsection 3 of NRS 482.330, the~~ *The* department will issue *not more than 40* special license plates to ~~each~~ *each* licensed dealer or rebuilder ~~for use on vehicles loaned by such a dealer or rebuilder to a customer in the normal course of business.~~
- ~~—2.— Such a]~~ *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 ~~[such-a]~~ *each* special license plate.

4. ~~[Such-a]~~ *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 ~~[such-a]~~ *the* special license plate. ~~[before the expiration of 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 section 5 of this regulation.*

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.*

Sec. 8. 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 ~~[obtains]~~ *is issued a* special license ~~[plates]~~ *plate* pursuant to *the provisions of* NAC 482.040 shall not allow the use of ~~[such-a]~~ *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 ~~[vehicle is loaned to a customer in the normal course of business; and~~

~~—(e) 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 ~~{log}~~ *written record* of each vehicle *that is loaned to a customer in the course of business and* on which a special license plate ~~{has been displayed at his}~~ *is displayed. The written record must be maintained at the* established place of business ~~{. The log}~~ *of the dealer or rebuilder and* must be made available for inspection during normal business hours by an authorized agent of the department . ~~{and must contain:}~~ *The written record must include:*

- (a) The vehicle identification number and stock number of the vehicle . ~~{on which a special license plate was displayed.}~~
- (b) The number of the special license plate.
- (c) ~~{The date or dates}~~ *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. Except as otherwise provided in subsection 5, a licensed dealer or rebuilder who has been issued special license plates pursuant to NAC 482.040 is subject to administrative sanctions pursuant to NRS 482.565 for any use of such a license plate that is not authorized by this section.~~

~~—5. If a special license plate has been lost or stolen, a dealer or rebuilder is not subject to administrative sanctions pursuant to NRS 482.565 if he reports the loss or theft to the department on the first working day after he discovers the loss or theft.]~~