

**PROPOSED REGULATION OF THE  
DIRECTOR OF THE DEPARTMENT OF MOTOR VEHICLES**

**LCB File No. R126-11**

February 2, 2012

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

AUTHORITY: §1, NRS 481.051, 482.160 and 485.130; §§2-5, NRS 485.130, 485.313 and 485.314.

A REGULATION relating to motor vehicles; providing for the enforcement of provisions relating to maintaining insurance on a motor vehicle; revising provisions relating to the submission of certain records to the Department of Motor Vehicles by insurers; and providing other matters properly relating thereto.

**Section 1.** Chapter 485 of NAC is hereby amended by adding thereto a new section to read as follows:

*1. For each motor vehicle registered in this State, at least one registered owner shall designate himself or herself at the time of registration as responsible for maintaining insurance on the motor vehicle pursuant to NRS 485.317 and subject to the penalties prescribed in NRS 482.557 using a form prescribed by the Department. The registered owner who is so designated may change the designation to another registered owner of the motor vehicle by notifying the Department on a form provided by the Department.*

*2. For the purpose of enforcing NRS 482.557, the Department will maintain a record of each suspension of registration pursuant to NRS 485.317 for at least 5 years following a reinstatement from that suspension. If a subsequent suspension of registration occurs pursuant to NRS 485.317 within 5 years after the date of a reinstatement, the subsequent suspension will be treated as a subsequent offense for the purpose of NRS 482.557.*

*3. A certificate of financial responsibility required to be filed pursuant to NRS 482.557 is not transferable.*

*4. A registered owner may request a hearing for a suspension of registration pursuant to NRS 485.317 or a suspension of his or her driver's license pursuant to NRS 482.557 caused by a lack or lapse of insurance by completing a form provided by the Department within 30 days after the date on which the notice of suspension was sent by the Department pursuant to subsection 3 of NRS 485.317. The registered owner must submit evidence of current insurance valid in Nevada when requesting a hearing. A hearing will not be granted for consideration of additional time to obtain money to pay any fee or fine or to resolve any dispute with the insurance company.*

*5. In addition to any other information, the Department will count all days on which a motor vehicle was not covered by a policy of liability insurance when assessing a penalty to reinstate the registration pursuant to NRS 482.557. If there are additional dates not included in the original request for information on which the motor vehicle was not covered by a policy of liability insurance, those days will also be counted for the purpose of assessing any penalty pursuant to NRS 482.557.*

**Sec. 2.** NAC 485.160 is hereby amended to read as follows:

485.160 An insurer that:

1. Insures motor vehicles which are registered in this State; or

2. Issues motor vehicle liability policies that do not describe specific vehicles to:

(a) Companies who own or operate a fleet of vehicles and whose place of business is located

in this State; or

(b) Residents of this State who own or operate a fleet of vehicles,

↪ shall maintain each record required pursuant to NRS 485.314 and submit ~~[to the Department each record required pursuant to NAC 485.165 to 485.180, inclusive,]~~ records in accordance with a list of specifications published by the Department ~~[.]~~ *when requested by the Department.*

**Sec. 3.** NAC 485.170 is hereby amended to read as follows:

485.170 1. If ~~[pursuant to this section or NAC 485.160 or 485.165,]~~ the Department receives from an insurer a record that contains an error, the Department will return the record to the insurer for correction.

2. Upon receipt of a record that is returned for correction pursuant to subsection 1, the insurer shall correct the error and resubmit the record to the Department not later than 5 p.m. on the seventh business day after the insurer receives the returned record.

**Sec. 4.** NAC 485.175 is hereby amended to read as follows:

485.175 1. If on two or more occasions 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 during a month; or

(b) An insurer fails to submit records required pursuant to NAC 485.160 ~~[, 485.165]~~ or 485.170,

↪ 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 or each record that the insurer previously failed to submit.

**Sec. 5.** NAC 485.165 is hereby repealed.

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**TEXT OF REPEALED SECTION**

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**485.165 Submission of record by nonelectronic means; report of no activity by insurer.**

**(NRS 485.130, 485.313, 485.314)** An insurer that does not maintain a system to respond to an electronic query by the Department requesting the insurer to verify a motor vehicle liability policy shall:

1. Submit a record to the Department if the insurer issues, amends or terminates a motor vehicle liability policy that covers a motor vehicle which is required to be registered in this State not later than 7 days after the effective date of the issuance, amendment or termination of the policy. The record must:

- (a) Include the information that the insurer is required to maintain pursuant to NAC 485.155;
- and
- (b) Conform to the list of specifications published by the Department.

2. If the insurer has no issuances, amendments or terminations of motor vehicle liability policies to report, submit to the Department, each week, a record stating that the insurer has no activity to report. Such a record must be submitted in a format prescribed by the Department for this purpose.