
ASSEMBLY BILL NO. 492—ASSEMBLYMAN HUMKE (BY REQUEST)

MARCH 11, 1999

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions regulating schools that train drivers of motor vehicles.
(BDR 54-1332)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: Yes.

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

AN ACT relating to drivers' training; providing in skeleton form for the creation of the board of drivers' training and traffic safety; repealing related authority of the department of motor vehicles and public safety; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE
AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 **Section 1.** Title 54 of NRS is hereby amended by adding thereto a
2 new chapter to consist of the provisions set forth as sections 2 to 25,
3 inclusive, of this act.
- 4 **Sec. 2.** *As used in sections 2 to 25, inclusive, of this act, unless the*
5 *context otherwise requires, the words and terms defined in sections 3 and*
6 *4 of this act have the meanings ascribed to them in those sections.*
- 7 **Sec. 3.** *“Board” means the board of drivers’ training and traffic*
8 *safety.*
- 9 **Sec. 4.** *“Department” means the department of motor vehicles and*
10 *public safety.*
- 11 **Sec. 5.** 1. *The board of drivers’ training and traffic safety,*
12 *consisting of five members appointed by the governor, is hereby created.*
13 2. *The governor shall appoint:*
14 (a) *Three members who are actively engaged as operators of schools*
15 *for training drivers and have been licensed as driving instructors for at*
16 *least 4 years pursuant to this chapter or by the department.*

1 (b) One member who is actively engaged as an operator of an
2 educational course on the abuse of alcohol and controlled substances;
3 and

4 (c) One member who is a representative of the general public.

5 3. A member must have been a resident of this state for at least 4
6 years at the time of his appointment.

7 4. After the initial terms, members of the board serve terms of 4
8 years, except when appointed to fill a vacancy in an unexpired term.

9 5. The board shall annually elect from their membership a
10 chairman, a vice chairman, and one person to serve as secretary and
11 treasurer.

12 6. Three members constitute a quorum. Action may be taken by the
13 board upon an affirmative vote of at least three members.

14 **Sec. 6. 1.** The board shall meet at least four times each year to
15 examine applicants for licensure and transact other business. The board
16 may meet at other times upon the call of the chairman or any three
17 members.

18 2. The members of the board are entitled to receive:

19 (a) A salary of not more than \$80 per day, as fixed by the board, while
20 engaged in the business of the board; and

21 (b) A per diem allowance and travel expenses at a rate fixed by the
22 board, while engaged in the business of the board. The rate must not
23 exceed the rate provided for state officers and employees generally.

24 3. While engaged in the business of the board, each employee of the
25 board is entitled to receive a per diem allowance and travel expenses at a
26 rate fixed by the board. The rate must not exceed the rate provided for
27 state officers and employees generally.

28 4. The board shall pay the compensation, allowances and expenses
29 authorized by this section from the fees and any other amounts received
30 pursuant to this chapter.

31 **Sec. 7. The board:**

32 1. Shall prescribe the duties of its officers and employees, and fix the
33 compensation of its employees.

34 2. May adopt a seal.

35 3. May establish offices as necessary to carry out the provisions of
36 this chapter.

37 4. Shall designate a main office and keep its records at that office.

38 **Sec. 8. The board shall adopt reasonable regulations:**

39 1. To carry out the provisions of this chapter.

40 2. For examining applicants for licenses.

41 3. Governing the recognition of, and credit to be given for, the study
42 of drivers' training in a school licensed pursuant to the laws of another
43 state or territory of the United States or of the District of Columbia.

1 4. *Governing the conduct of schools for training drivers.*

2 5. *Governing the study and practical training required of an*
3 *instructor in a school for training drivers.*

4 6. *Governing the conduct of schools for traffic safety and for*
5 *training instructors in schools for training drivers.*

6 **Sec. 9.** *The board shall:*

7 1. *Examine applicants for licensure as operators of or instructors in*
8 *schools for training drivers, schools for traffic safety and schools for*
9 *training instructors in those subjects, and issue licenses to those*
10 *qualified.*

11 2. *License schools for training drivers, schools for traffic safety and*
12 *schools for training driving instructors.*

13 3. *Inspect schools so licensed, or believed to be operating without a*
14 *license. Inspection may be performed by a member or authorized*
15 *employee of the board.*

16 4. *Report to the appropriate prosecuting authority any violation of*
17 *the provisions of this chapter of which it becomes aware.*

18 **Sec. 10.** 1. *An applicant for the issuance or renewal of a license*
19 *under this chapter who is a natural person shall submit to the board the*
20 *statement prescribed by the welfare division of the department of human*
21 *resources pursuant to NRS 425.520. The application must include the*
22 *social security number of the applicant. The statement must be completed*
23 *and signed by the applicant.*

24 2. *The board shall include the statement required pursuant to*
25 *subsection 1 in:*

26 (a) *The application or any other forms that must be submitted for the*
27 *issuance or renewal of the license; or*

28 (b) *A separate form prescribed by the board.*

29 3. *A license to a natural person may not be issued or renewed by the*
30 *board if the applicant:*

31 (a) *Fails to submit the statement required pursuant to subsection 1; or*

32 (b) *Indicates on the statement submitted pursuant to subsection 1 that*
33 *he is subject to a court order for the support of a child and is not in*
34 *compliance with the order or a plan approved by the district attorney or*
35 *other public agency enforcing the order for the repayment of the amount*
36 *owed pursuant to the order.*

37 4. *If an applicant indicates on the statement submitted pursuant to*
38 *subsection 1 that he is subject to a court order for the support of a child*
39 *and is not in compliance with the order or a plan approved by the district*
40 *attorney or other public agency enforcing the order for the repayment of*
41 *the amount owed pursuant to the order, the board shall advise the*

1 *applicant to communicate with the district attorney or other public*
2 *agency enforcing the order to determine the actions that the applicant*
3 *may take to satisfy the arrearage.*

4 **Sec. 11. 1.** *The board may authorize one or more of its members to*
5 *hold a hearing or conduct an investigation under this chapter, and may*
6 *approve or confirm the finding so made as its own.*

7 **2.** *For the purposes of this chapter:*

8 *(a) A member of the board or other person authorized by law may*
9 *administer oaths; and*

10 *(b) The presiding member of the board investigating a complaint*
11 *against a person, school, agency or business that is required to be*
12 *licensed pursuant to sections 2 to 25, inclusive, of this act, may issue*
13 *subpoenas to compel the attendance of witnesses and the production of*
14 *books and other papers.*

15 **3.** *If any person fails to comply with the subpoena within 10 days*
16 *after its service, the member of the board may petition the district court*
17 *for an order of the court compelling compliance with the subpoena.*

18 **4.** *Upon such a petition, the court shall enter an order directing the*
19 *person subpoenaed or the custodian of records in the case of a subpoena*
20 *for production of books and other papers, to appear before the court at a*
21 *time and place to be fixed by the court in its order, the time to be not*
22 *more than 10 days after the date of the order, and then and there show*
23 *cause why he has not complied with the subpoena. A certified copy of the*
24 *order must be served upon the person subpoenaed.*

25 **5.** *If good cause is not shown for the failure to comply and it appears*
26 *to the court that the subpoena was regularly issued, the court shall enter*
27 *an order compelling compliance with the subpoena, and upon failure to*
28 *obey the order the person shall be dealt with as for contempt of court.*

29 **Sec. 12. 1.** *All fees collected on behalf of the board and all other*
30 *receipts must be reported to the board at the beginning of each month,*
31 *for the month preceding. The money collected must be paid over to the*
32 *treasurer of the board for deposit in a financial institution in this state*
33 *unless deposited with the state treasurer pursuant to subsection 4.*

34 **2.** *Orders for the payment of money must be signed by the treasurer*
35 *of the board and countersigned by the chairman.*

36 **3.** *The board may delegate to a hearing officer or panel its authority*
37 *to take any disciplinary action pursuant to this chapter, impose and*
38 *collect fines therefor, and deposit the money therefrom in a financial*
39 *institution in this state to the credit of the board.*

40 **4.** *If a hearing officer or panel is not authorized to take disciplinary*
41 *action pursuant to subsection 3 and the board deposits the money*
42 *collected from the imposition of fines with the state treasurer for credit to*
43 *the state general fund, the board may present a claim to the state board*

1 of examiners for recommendation to the interim finance committee if
2 money is needed to pay attorney's fees or the costs of an investigation, or
3 both.

4 **Sec. 13. 1. The board shall keep a record containing:**

5 (a) The name, known place of business, and date and number of the
6 license of each instructor in driving or traffic safety; and

7 (b) The name and address of each school for training drivers, traffic
8 safety or training of instructors,
9 licensed pursuant to this chapter, and the facts offered by each applicant
10 in support of his licensure.

11 2. The board may disclose the information contained in the record
12 to:

13 (a) Another licensing board or agency that is investigating the
14 licensee; or

15 (b) A member of the public, excluding the address or any telephone
16 number of a licensee who is a natural person.

17 **Sec. 14. 1. A school for training driving instructors shall not**
18 **require that a student purchase supplies for use in the course of study, or**
19 **deduct earned hours of credit or earned compensation as punishment for**
20 **misbehavior.**

21 2. A member or authorized employee of the board may review the
22 record of a student's training and attendance.

23 **Sec. 15. It is unlawful for a person to:**

24 1. Operate a school for training drivers;

25 2. Receive compensation for giving instruction in driving motor
26 vehicles or in the preparation of an applicant for an examination given
27 by the department for a driver's license;

28 3. Operate a school for traffic safety; or

29 4. Operate a school for training instructors in training drivers or in
30 traffic safety,
31 unless he has secured a license therefor from the board.

32 **Sec. 16. An applicant for a license to operate a school for training**
33 **drivers must:**

34 1. Be of good moral character.

35 2. Maintain an established place of business open to the public
36 which is not within 200 feet from any building used by the department as
37 an office.

38 3. Have the equipment necessary to give proper instruction in the
39 operation of motor vehicles.

40 4. Be 21 years of age or older.

41 5. Hold a valid driving instructor's license.

6. Have 2,000 hours of experience as an instructor operating vehicles with students at a school for training drivers in this state or in another state or territory of the United States, or the District of Columbia, in which a license to instruct was required.

7. File with the board a surety bond in the amount of \$10,000 payable to the board, executed by the applicant as principal with a corporation authorized to transact surety business in this state as surety. The bond must be continuous in form and conditioned that the operator conduct the business of the school as an instructional institution without fraud or fraudulent representation. Upon application by an operator, the board may reduce the amount of the bond required to an amount not less than \$5,000 if the operator has satisfactorily conducted his school for the 5 years immediately preceding the application for reduction.

Sec. 17. An applicant for a license as a driving instructor must:

1. Be of good moral character;
2. Pass such examination as the board may require on traffic laws, safe driving practices and operation of motor vehicles;
3. Be physically able to operate a motor vehicle safely and train others in the operation of motor vehicles;
4. Hold a valid Nevada driver's license; and
5. Be 21 years of age or older.

Sec. 18. No school for training drivers may offer training or allow training to be provided by the school to a person who has not attained the age of 15 years unless the person otherwise qualifies for a restricted license pursuant to NRS 483.267 or 483.270 upon demonstration of his competency and fitness to drive a motor vehicle.

Sec. 19. Each course of training provided by a school for training drivers licensed pursuant to this chapter must include instruction concerning:

1. Motor vehicle insurance; and
2. The effects of drugs and alcohol on an operator of a motor vehicle.

Sec. 20. 1. The board shall issue a license to an applicant to operate a school for training drivers or to act as an instructor for such a school if it is satisfied that the applicant has met the requirements of this chapter.

2. The license is valid for 5 years after the date of issuance, unless canceled, suspended or revoked by the board, and may be renewed upon satisfying the requirements for an original license.

Sec. 21. A holder of a license to operate a school for training drivers shall maintain all vehicles used in training drivers in a safe mechanical condition at all times.

1 **Sec. 22. 1.** *A person operating a school for training drivers shall*
2 *maintain liability insurance on the motor vehicles used in driving*
3 *instruction, insuring the liability of the driving school, the driving*
4 *instructor, and any person taking instruction, in at least the following*
5 *amounts:*

6 *(a) For bodily injury to or death of one person in any one accident,*
7 *\$100,000;*

8 *(b) For bodily injury to or death of two or more persons in any one*
9 *accident, \$300,000; and*

10 *(c) For damage to property of others in any one accident, \$50,000.*

11 **2.** *Evidence of the insurance coverage in the form of a certificate*
12 *from the insurance carrier must be filed with the department and the*
13 *certificate must stipulate that the insurance may not be canceled except*
14 *upon 10 days' written notice to the board.*

15 **Sec. 23.** *The board may cancel, suspend, revoke or refuse to renew*
16 *any license granted pursuant to this chapter:*

17 **1.** *If the licensee allows fraud or engages in fraudulent practices*
18 *either with reference to an applicant for a driver's license or the board,*
19 *or induces or countenances fraud or fraudulent practices on the part of*
20 *an applicant for a driver's license.*

21 **2.** *If the licensee fails to comply with any of the provisions of this*
22 *chapter or any regulation of the board adopted pursuant thereto.*

23 **3.** *The licensee, or any employee or agent of the licensee, solicits*
24 *persons for enrollment in a school for training drivers inside an office of*
25 *the department or within 200 feet of any such office.*

26 **4.** *The licensee, or any employee or agent of the licensee, follows the*
27 *identical course of training which is used by the department in giving an*
28 *examination for a driver's license.*

29 **Sec. 24. 1.** *If the board receives a copy of a court order issued*
30 *pursuant to NRS 425.540 which provides for the suspension of all*
31 *professional, occupational and recreational licenses, certificates and*
32 *permits issued to a person who is the holder of a license as an instructor*
33 *for a school for training drivers, the board shall deem the license issued*
34 *to him to be suspended at the end of the 30th day after the date on which*
35 *the court order was issued unless the board receives a letter issued to the*
36 *holder of the license by the district attorney or other public agency*
37 *pursuant to NRS 425.550 stating that the holder of the license has*
38 *complied with the subpoena or warrant or has satisfied the arrearage*
39 *pursuant to NRS 425.560.*

40 **2.** *The board shall reinstate a license as an instructor for a school for*
41 *training drivers that has been suspended by a district court pursuant to*
42 *NRS 425.540 if the department receives a letter issued by the district*
43 *attorney or other public agency pursuant to NRS 425.550 to the person*

1 *whose license was suspended stating that the person whose license was*
2 *suspended has complied with the subpoena or warrant or has satisfied*
3 *the arrearage pursuant to NRS 425.560.*

4 **Sec. 25.** *The board shall charge annually the following fees with*
5 *respect to licenses issued pursuant to the provisions of this chapter:*

6
7 *License for a school for training drivers\$250*

8 *License for a driving instructor..... 50*

9 *License for a school, an agency or a business that provides*
10 *an educational course on the abuse of alcohol and*
11 *controlled substances..... 250*

12 *License for an instructor of an educational course on the*
13 *abuse of alcohol and controlled substances 50*

14 *License for a school for traffic safety 250*

15 *License for an instructor of traffic safety..... 50*

16 **Sec. 26.** NRS 483.250 is hereby amended to read as follows:

17 483.250 The department shall not issue any license under the
18 provisions of NRS 483.010 to 483.630, inclusive:

19 1. To any person who is under the age of 18 years, except that the
20 department may issue:

21 (a) A restricted license to a person between the ages of 14 and 18 years
22 pursuant to the provisions of NRS 483.267 and 483.270.

23 (b) An instruction permit to a person who is at least 15 1/2 years of age
24 pursuant to the provisions of subsection 1 of NRS 483.280.

25 (c) A restricted instruction permit to a person under the age of 18 years
26 pursuant to the provisions of subsection 3 of NRS 483.280.

27 (d) Except as otherwise provided in paragraph (e), a license to a person
28 between the ages of 16 and 18 years who has completed a course:

29 (1) In automobile driver education pursuant to NRS 389.090; or

30 (2) Provided by a school for training drivers licensed pursuant to
31 ~~NRS 483.700 to 483.780, inclusive,~~ *sections 2 to 25, inclusive, of this*
32 *act* if the course complies with the applicable regulations governing the
33 establishment, conduct and scope of automobile driver education adopted
34 by the state board of education pursuant to NRS 389.090,
35 and who has at least 50 hours of experience in driving a motor vehicle with
36 a restricted license, instruction permit or restricted instruction permit
37 issued pursuant to NRS 483.267, 483.270 or 483.280. The parent or legal
38 guardian of a person who desires to obtain a license pursuant to this
39 paragraph must sign and submit to the department a form provided by the
40 department which attests that the person who desires a license has
41 completed the training and experience required by this paragraph.

- 1 (e) A license to a person who is between the ages of 16 and 18 years if:
2 (1) The public school in which he is enrolled is located in a county
3 whose population is less than 35,000 or in a city or town whose population
4 is less than 25,000;
5 (2) The public school does not offer automobile driver education;
6 (3) He has at least 50 hours of experience in driving a motor vehicle
7 with a restricted license, instruction permit or restricted instruction permit
8 issued pursuant to NRS 483.267, 483.270 or 483.280; and
9 (4) His parent or legal guardian signs and submits to the department a
10 form provided by the department which attests that the person who desires
11 a license has completed the experience required by subparagraph (3).
12 2. To any person whose license has been revoked until the expiration
13 of the period during which he is not eligible for a license.
14 3. To any person whose license has been suspended, but, upon good
15 cause shown to the administrator, the department may issue a restricted
16 license to him or shorten any period of suspension.
17 4. To any person who has previously been adjudged to be afflicted
18 with or suffering from any mental disability or disease and who has not at
19 the time of application been restored to legal capacity.
20 5. To any person who is required by NRS 483.010 to 483.630,
21 inclusive, to take an examination, unless he has successfully passed the
22 examination.
23 6. To any person when the administrator has good cause to believe that
24 by reason of physical or mental disability that person would not be able to
25 operate a motor vehicle safely.
26 7. To any person who is not a resident of this state.
27 8. To any child who is the subject of a court order issued pursuant to
28 paragraph (h) of subsection 1 of NRS 62.211, NRS 62.2255, 62.226 or
29 62.228 which delays his privilege to drive.
30 9. To any person who is the subject of a court order issued pursuant to
31 NRS 206.330 which suspends or delays his privilege to drive until the
32 expiration of the period of suspension or delay.
33 **Sec. 27.** NRS 483.785 is hereby amended to read as follows:
34 483.785 1. The department may accept gifts and grants of money to
35 provide grants of money to pupils who are less than 18 years of age and
36 who need financial assistance to pay:
37 (a) If a pupil is enrolled in a public school that provides instruction in
38 automobile education, a laboratory fee required pursuant to NRS 389.100.
39 (b) If a pupil is enrolled in a public school that does not provide
40 instruction in automobile education, the costs and fees of a course provided
41 by a school for training drivers that is licensed pursuant to ~~NRS 483.700~~
42 ~~to 483.780, inclusive,]~~ *sections 2 to 25, inclusive, of this act* and that

1 complies with the applicable regulations governing the establishment,
2 conduct and scope of automobile driver education adopted by the state
3 board of education pursuant to NRS 389.090.

4 2. The department may, in consultation with the state board of
5 education, adopt regulations to carry out the provisions of this section,
6 including, without limitation, the:

7 (a) Procedure by which a person may apply for a grant of money from
8 the department;

9 (b) Criteria that the department will consider in determining whether to
10 award a grant of money; and

11 (c) Procedure by which the department will distribute the money it
12 receives pursuant to subsection 1.

13 **Sec. 28.** NRS 483.700, 483.710, 483.720, 483.721, 483.722, 483.723,
14 483.725, 483.730, 483.740, 483.750, 483.760, 483.765, 483.770 and
15 483.780 are hereby repealed.

16 **Sec. 29.** Sections 10 and 24 of this act expire by limitation on the date
17 of the repeal of the federal law requiring each state to establish procedures
18 for withholding, suspending and restricting professional, occupational and
19 recreational licenses for child support arrearages and for noncompliance
20 with certain processes relating to paternity or child support proceedings.

LEADLINES OF REPEALED SECTIONS

483.700 License required.

483.710 Requirements for licensure as operator of school.

483.720 Requirements for licensure as instructor for school.

483.721 Application for licensure as instructor for school to
include social security number. [Expires by limitation on the date of
the repeal of the federal law requiring each state to establish
procedures for withholding, suspending and restricting the
professional, occupational and recreational licenses for child support
arrears and for noncompliance with certain processes relating to
paternity or child support proceedings.]

483.722 Payment of child support: Statement by applicant for
licensure as instructor for school; grounds for denial of license; duty of
department. [Expires by limitation on the date of the repeal of the
federal law requiring each state to establish procedures for
withholding, suspending and restricting the professional, occupational
and recreational licenses for child support arrearages and for
noncompliance with certain processes relating to paternity or child
support proceedings.]

- 483.723 Minimum age for training.**
- 483.725 Required instruction in course of training.**
- 483.730 Issuance, term and renewal of licenses.**
- 483.740 Liability insurance.**
- 483.750 Maintenance of vehicles.**
- 483.760 Grounds for cancellation, revocation or suspension of license.**
- 483.765 Suspension of license as instructor for school for failure to pay child support or comply with certain subpoenas or warrants; reinstatement of license. [Expires by limitation on the date of the repeal of the federal law requiring each state to establish procedures for withholding, suspending and restricting the professional, occupational and recreational licenses for child support arrearages and for noncompliance with certain processes relating to paternity or child support proceedings.]**
- 483.770 Exemptions.**
- 483.780 Fees.**

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