

Assembly Bill No. 320--Assemblywoman Buckley

CHAPTER.....

AN ACT relating to the department of motor vehicles and public safety; requiring the department to retain for a specified period the originals of certain documents containing the disclosure of the mileage of a motor vehicle; revising provisions regarding the bonds required for certain licensees; and providing other matters properly relating thereto.

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

Section 1. NRS 482.173 is hereby amended to read as follows:

482.173 1. *Notwithstanding the provisions of any schedule for the retention and disposition of official state records to the contrary, the director shall ensure that the department retains the originals of:*

(a) Certificates of ownership that are submitted to the department for the registration of a vehicle which has been sold or transferred; and

(b) Forms for a power of attorney that are submitted to the department pursuant to subsection 2 of NRS 482.415, for at least 1 year after the date on which such documents are received by the department.

2. Notwithstanding the provisions of NRS 239.080, the director may order the destruction of certificates of ~~registration 1 year after they are no longer effective.~~

~~—2.—~~ *ownership and forms for a power of attorney which are retained pursuant to subsection 1 after the expiration of the 1-year period set forth in that subsection.*

3. The department shall keep a record showing when ~~such~~ certificates *of ownership and forms for a power of attorney* are destroyed.

Sec. 2. NRS 482.3333 is hereby amended to read as follows:

482.3333 1. Before a person may be licensed as a broker, he must procure and file with the department a good and sufficient bond in the amount of \$50,000 with a corporate surety thereon licensed to do business within the State of Nevada, approved as to form by the attorney general, and conditioned that the applicant shall conduct his business as a broker without *breaching a consumer contract or engaging in a deceptive trade practice*, fraud or fraudulent representation, and without violation of the provisions of this chapter. The department may, by agreement with any broker who has been licensed as a broker for 5 years or more, allow a reduction in the amount of the bond if his business has been conducted satisfactorily for the preceding 5 years, but no bond may be in an amount less than \$5,000.

2. The bond must be continuous in form and the total aggregate liability on the bond must be limited to the payment of the total amount of the bond. ~~1. but in no case may the amount of any judgment in an action on such a bond exceed the retail value of any vehicle in connection with which the action was brought.~~

3. The undertaking on the bond includes any *breach of a consumer contract, deceptive trade practice*, fraud, ~~1. or~~ fraudulent representation or violation of any of the provisions of this chapter by any employee of the

licensed broker who acts on behalf of the broker and within the scope of his employment.

4. The bond must provide that any person injured by the action of the broker or his employee in violation of any provision of this chapter may bring an action on the bond.

Sec. 3. NRS 482.345 is hereby amended to read as follows:

482.345 1. Except as otherwise provided in subsection 6, before any dealer's license, dealer's plate, special dealer's plate, rebuilder's license or rebuilder's plate, distributor's license or distributor's plate or manufacturer's license or manufacturer's plate is furnished to a manufacturer, distributor, dealer or rebuilder as provided in this chapter, the department shall require that the applicant make an application for such a license and plate upon a form to be furnished by the department, and the applicant shall furnish such information as the department requires, including proof that the applicant has an established place of business in this state, and also, except as otherwise provided in subsection 2, procure and file with the department a good and sufficient bond in the amount of \$50,000 with a corporate surety thereon, duly licensed to do business within the State of Nevada, approved as to form by the attorney general, and conditioned that the applicant shall conduct his business as a dealer, distributor, manufacturer or rebuilder without *breaching a consumer contract or engaging in a deceptive trade practice*, fraud or fraudulent representation, and without violation of the provisions of this chapter. The department may, by agreement with any dealer, distributor, manufacturer or rebuilder who has been in business for 5 years or more, allow a reduction in the amount of the bond of the dealer, if his business has been conducted satisfactorily for the preceding 5 years, but no bond may be in an amount less than \$5,000.

2. A manufacturer, distributor, rebuilder or dealer who manufactures, distributes or sells only motorcycles, horse trailers, tent trailers, utility trailers or trailers designed to carry boats shall file a bond as required by subsection 1 in the amount of \$5,000 regardless of the length of time he has been in business.

3. The bond must be continuous in form and the total aggregate liability on the bond must be limited to the payment of the total amount of the bond. ~~1. but in no case may the amount of any judgment in an action on such a bond exceed the retail value of any vehicle in connection with which the action was brought.~~

4. The undertaking on the bond includes any *breach of a consumer contract, deceptive trade practice*, fraud, ~~fraud~~ fraudulent representation or violation of any of the provisions of this chapter by the representative of any licensed distributor or the salesman of any licensed dealer, manufacturer or rebuilder who acts for the dealer, distributor, manufacturer or rebuilder on his behalf and within the scope of the employment of the representative or the salesman.

5. The bond must provide that any person injured by the action of the dealer, distributor, rebuilder, manufacturer, representative or salesman in violation of any provisions of this chapter may apply to the director, for good cause shown and after notice and opportunity for hearing, for compensation from the bond. The director may determine the amount of

compensation and the person to whom it is to be paid. The surety shall then make the payment.

6. The provisions of this section do not apply to a manufacturer without an established place of business in this state.

Sec. 4. NRS 482.347 is hereby amended to read as follows:

482.347 *1.* The vehicle dealer's bond required by NRS 482.345 ~~covers~~ *must cover* the dealer's principal place of business and all branches operated by him ~~if:~~

~~1. All of his places of business are located within one county; and~~

~~2. All are operated under the same name.~~

For, *including, without limitation*, any place of business *operated in this state by the dealer that is* located outside the county of the dealer's principal office ~~if~~ or any place of business operated *by the dealer* under a different name. ~~if, the dealer shall procure a separate bond.~~

2. In addition to the coverage provided by the vehicle dealer's bond pursuant to subsection 1, the dealer shall procure a separate bond for:

(a) Each place of business operated in this state by the dealer that is located outside the county of the dealer's principal office; and

(b) Each place of business operated by the dealer under a different name.

Sec. 5. The amendatory provisions of sections 2, 3 and 4 of this act apply to a license that is issued or renewed on or after December 31, 2001.

Sec. 6. This act becomes effective on passage and approval.