

SENATE BILL NO. 303—COMMITTEE ON COMMERCE AND LABOR

MARCH 9, 2001

Referred to Committee on Transportation

SUMMARY—Makes various changes relating to insurance for motor vehicles.
(BDR 43-109)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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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 insurance for motor vehicles; specifying that for motor vehicles manufactured after 1981, only the last eight digits of the vehicle identification number may be used to verify that the motor vehicle is insured; prohibiting an operator's policy of liability insurance from being used to satisfy statutory insurance requirements under certain circumstances; allowing the release of information related to insurance policies under certain circumstances; 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.** NRS 482.480 is hereby amended to read as follows:
2 482.480 There must be paid to the department for the registration or
3 the transfer or reinstatement of the registration of motor vehicles, trailers
4 and semitrailers, fees according to the following schedule:
5 1. Except as otherwise provided in this section, for each stock
6 passenger car and each reconstructed or specially constructed passenger car
7 registered to a person, regardless of weight or number of passenger
8 capacity, a fee for registration of \$33.
9 2. Except as otherwise provided in subsection 3:
10 (a) For each of the fifth and sixth such cars registered to a person, a fee
11 for registration of \$16.50.
12 (b) For each of the seventh and eighth such cars registered to a person, a
13 fee for registration of \$12.
14 (c) For each of the ninth or more such cars registered to a person, a fee
15 for registration of \$8.
16 3. The fees specified in subsection 2 do not apply:
17 (a) Unless the person registering the cars presents to the department at
18 the time of registration the registrations of all of the cars registered to him.
19 (b) To cars that are part of a fleet.



1 4. For every motorcycle, a fee for registration of \$33 and for each
2 motorcycle other than a trimobile, an additional fee of \$6 for motorcycle
3 safety. The additional fee must be deposited in the state highway fund for
4 credit to the account for the program for the education of motorcycle
5 riders.

6 5. For each transfer of registration, a fee of \$6 in addition to any other
7 fees.

8 6. To reinstate the registration of a motor vehicle suspended pursuant
9 to NRS 485.317:

10 (a) A fee of \$250 for a registered owner who failed to have insurance on
11 the date specified in the form for verification that was mailed by the
12 department pursuant to subsection ~~4~~ 3 of NRS 485.317; or

13 (b) A fee of \$50 for a registered owner of a dormant vehicle who
14 canceled the insurance coverage for that vehicle or allowed the insurance
15 coverage for that vehicle to expire without first canceling the registration
16 for the vehicle in accordance with subsection 3 of
17 NRS 485.320,
18 both of which must be deposited in the account for verification of
19 insurance which is hereby created in the state highway fund. Money in the
20 account must be used to carry out the provisions of NRS 485.313 to
21 485.318, inclusive.

22 7. For every travel trailer, a fee for registration of \$27.

23 8. For every permit for the operation of a golf cart, an annual fee of
24 \$10.

25 9. For every low-speed vehicle, as that term is defined in
26 NRS 484.527, a fee for registration of \$33.

27 10. To reinstate the registration of a motor vehicle that is suspended
28 pursuant to NRS 482.451, a fee of \$33.

29 **Sec. 2.** NRS 485.185 is hereby amended to read as follows:

30 485.185 **1.** Every owner of a motor vehicle ~~which~~ *that* is registered
31 or required to be registered in this state shall continuously provide, while
32 the motor vehicle is present or registered in this state, *insurance as*
33 *required by subsection 2.*

34 **2.** *Every motor vehicle that is registered or required to be registered*
35 *in this state must continuously be covered, while the motor vehicle is*
36 *present or registered in this state, by* insurance:

37 ~~1-1~~ (a) In the amount of \$15,000 for bodily injury to or death of one
38 person in any one accident;

39 ~~2-1~~ (b) Subject to the limit for one person, in the amount of \$30,000 for
40 bodily injury to or death of two or more persons in any one accident; and

41 ~~3-1~~ (c) In the amount of \$10,000 for injury to or destruction of property
42 of others in any one accident,
43 for the payment of tort liabilities arising from the maintenance or use of the
44 motor vehicle.

45 **Sec. 3.** NRS 485.186 is hereby amended to read as follows:

46 485.186 1. Except as otherwise provided in ~~subsection 6,~~
47 *subsections 6 and 7*, any natural person may satisfy the requirements of
48 NRS 485.185 by obtaining, in lieu of an owner's policy of liability



1 insurance, an operator's policy of liability insurance ~~which~~ *that* meets the
2 requirements of this section and NRS 485.3091.

3 2. An operator's policy of liability insurance must state, in addition to
4 the requirements of NRS 485.3091, that:

5 (a) The insurer is only liable under the policy for liability incurred by
6 the insured while the named insured is the operator of a motor vehicle or
7 while a motor vehicle owned by the insured is not being operated by any
8 person;

9 (b) The policy does not provide coverage for any vicarious liability
10 imposed on the owner of the motor vehicle as a result of the operation by
11 another person of a motor vehicle owned by the insured or for any liability
12 imposed by NRS 41.440 or 483.300; and

13 (c) The coverage provided by the policy may not meet the requirements
14 of the financial responsibility laws of other states,
15 unless such extended coverage is expressly included in the policy. No
16 operator's policy of liability insurance may be delivered or issued for
17 delivery in this state unless the insured has signed an endorsement stating
18 that he has read and understood the policy and its limitations.

19 3. An owner of a motor vehicle which is registered or required to be
20 registered in this state and who holds an operator's policy of liability
21 insurance shall not permit another person to operate his motor vehicle if the
22 owner knows or should have known that the person does not have liability
23 insurance to cover his own operation of that motor vehicle.

24 4. An operator's policy of liability insurance must not provide
25 coverage for damages incurred while a person other than the named
26 insured is operating a motor vehicle.

27 5. An operator's policy of liability insurance must provide coverage
28 for liability incurred by the insured while a motor vehicle owned by the
29 insured is not being operated by any person.

30 6. This section does not apply to a lessor, dealer, manufacturer,
31 rebuilder or distributor of a motor vehicle, an owner of a fleet, a common,
32 contract or private motor carrier, or any other employer who owns a motor
33 vehicle for use in his business.

34 *7. A natural person may not satisfy the requirements of NRS 485.185*
35 *by obtaining an operator's policy of liability insurance in lieu of an*
36 *owner's policy of liability insurance unless each registered owner of the*
37 *motor vehicle has obtained a policy of liability insurance for use of the*
38 *motor vehicle that meets the requirements of this chapter.*

39 **Sec. 4.** NRS 485.313 is hereby amended to read as follows:

40 485.313 1. ~~The~~ *Pursuant to the limitations set forth in*
41 *NRS 485.317, the* department shall create a system for verifying that ~~the~~
42 ~~owners of motor vehicles maintain the insurance~~ *each motor vehicle*
43 *registered in this state is covered by a policy of liability insurance as*
44 *required by subsection 2 of NRS 485.185.*

45 2. As used in this section, "motor vehicle" does not include:

46 (a) A golf cart, as that term is defined in NRS 482.044.

47 (b) A motortruck, truck tractor, bus or other vehicle that is registered
48 pursuant to paragraph (e) of subsection 1 of NRS 482.482 or NRS 706.801
49 to 706.861, inclusive.



1 **Sec. 5.** NRS 485.316 is hereby amended to read as follows:
2 485.316 1. Except as otherwise provided in subsections 2 and 3,
3 information which is maintained in the database created pursuant to
4 NRS 485.313 is confidential.

5 2. The department may only disclose information which is maintained
6 in the database, upon request, to a state or local governmental agency for
7 the purpose of enforcing NRS 485.185, including investigating or litigating
8 a violation or alleged violation.

9 3. The department may only disclose information retrieved from the
10 database to:

11 (a) A person who requests information regarding his own status;
12 (b) The parent or legal guardian of the person about whom the
13 information is requested if the person is an unemancipated minor or legally
14 incapacitated;

15 (c) A person who has a power of attorney from the person about whom
16 the information is requested;

17 (d) A person who submits a notarized release from the person about
18 whom the information is requested which is dated no more than 90 days
19 before the date of the request; or

20 (e) A person who has suffered a loss or injury in an accident involving a
21 motor vehicle , *or his authorized insurer or a representative of his*
22 *authorized insurer*, who requests ~~information~~ :

23 (1) *Information* for use in the accident report ~~+~~ ; and

24 (2) *For each motor vehicle involved in the accident:*

25 (I) *The name and address of each registered owner;*

26 (II) *The name of the insurer; and*

27 (III) *The number of the policy of liability insurance.*

28 4. A person who knowingly violates the provisions of this section is
29 guilty of a category D felony and shall be punished as provided in
30 NRS 193.130.

31 5. *As used in this section, "authorized insurer" has the meaning*
32 *ascribed to it in NRS 679A.030.*

33 **Sec. 6.** NRS 485.317 is hereby amended to read as follows:

34 485.317 1. ~~The~~ *Subject to the limitations set forth in this*
35 *subsection and subsection 2, the* department shall, at least monthly,
36 compare the current registrations of motor vehicles to the information in
37 the database created pursuant to NRS 485.313 to verify that each motor
38 vehicle:

39 (a) Which is newly registered in this state; or

40 (b) For which a policy of liability insurance has been issued, amended
41 or terminated,

42 is covered by a policy of liability insurance as required by *subsection 2 of*
43 NRS 485.185. In identifying a motor vehicle for verification pursuant to
44 this subsection, the department shall, if the motor vehicle was
45 manufactured during or after 1981, use only *the last eight digits of* the
46 vehicle identification number . ~~+, in whole or in part.~~ *In comparing the*
47 *vehicle identification number of a motor vehicle to the vehicle*
48 *identification number in a policy of liability insurance, to determine if*
49 *the two vehicle identification numbers match, the department may find*



1 *that the two vehicle identification numbers match if no fewer than seven*
2 *of the last eight digits of the two vehicle identification numbers match.*

3 2. The department *shall not use the name of the owner of a motor*
4 *vehicle to verify, pursuant to subsection 1, whether the motor vehicle is*
5 *covered by a policy of liability insurance as required by subsection 2 of*
6 *NRS 485.185.*

7 3. *If, pursuant to subsection 1, the department determines that a*
8 *motor vehicle is not covered by a policy of liability insurance as required*
9 *by subsection 2 of NRS 485.185, the department* shall send a form for
10 verification by first-class mail to each registered owner ~~that it determines~~
11 ~~has not maintained the insurance required by NRS 485.185.~~ *of the motor*
12 *vehicle.* The owner shall complete the form with all the information which
13 is requested by the department, including whether he carries an owner's or
14 operator's policy of liability insurance or a certificate of self-insurance, and
15 return the completed form within 20 days after the date on which the form
16 was mailed by the department. If the department does not receive the
17 completed form within 20 days after it mailed the form to the owner, the
18 department shall send to the owner a second form for verification by
19 certified mail. The owner shall complete the form and return it to the
20 department within 15 days after the date on which it was sent by the
21 department. This subsection does not prohibit an authorized agent of the
22 owner from providing to the department:

23 (a) The information requested by the department pursuant to this
24 subsection.

25 (b) Additional information to amend or correct information already
26 submitted to the department pursuant to this subsection.

27 ~~3-1~~ 4. When the department receives a completed form for verification
28 , it shall verify the information on the form.

29 ~~1-1~~ 5. The department shall suspend the registration and require the
30 return to the department of the license plates of any vehicle for which:

31 (a) Neither of the forms for verification set forth in subsection ~~1-1~~ 3 is
32 returned to the department by the registered owner or his authorized agent
33 within the period specified in that subsection;

34 (b) Either of the forms for verification set forth in subsection ~~1-1~~ 3 is
35 returned to the department by the registered owner or his authorized agent
36 and the department is not able to verify the information on the form; or

37 (c) Either of the forms for verification set forth in subsection ~~1-1~~ 3 is
38 returned by the registered owner or his authorized agent with an admission
39 of having no insurance or without indicating an insurer or the number of a
40 motor vehicle liability policy or a certificate of self-insurance.

41 ~~1-1~~ 6. If the department suspends a registration pursuant to subsection
42 ~~1-1~~ 5 because:

43 (a) Neither the owner nor his authorized agent returned a form for
44 verification within the specified period or the owner or his authorized agent
45 returned a form for verification that was not completed sufficiently, and the
46 owner or his authorized agent, thereafter:

47 (1) Proves to the satisfaction of the department that there was a
48 justifiable cause for his failure to do so;



1 (2) Submits a completed form regarding his insurance on the date
2 stated in the form mailed by the department pursuant to subsection ~~42;~~ 3;
3 and

4 (3) Presents evidence of current insurance; or

5 (b) The owner or his authorized agent submitted to the department a
6 form for verification containing information that the department was
7 unable to verify and, thereafter, the owner or his authorized agent presents
8 to the department:

9 (1) A corrected form or otherwise verifiable evidence setting forth
10 that the owner possessed insurance on the date stated in the form; and

11 (2) Evidence of current insurance,
12 the department shall rescind its suspension of the registration if it is able to
13 verify the information on the form or the other evidence presented. The
14 department shall not charge a fee to reinstate a registration, the suspension
15 of which was rescinded pursuant to this subsection. For the purposes of this
16 subsection, "justifiable cause" may include, but is not limited to, the fact
17 that the owner did not receive the form mailed by the department pursuant
18 to subsection ~~42;~~ 3.

19 ~~46;~~ 7. Except as otherwise provided in subsection ~~47;~~ 8, if a registered
20 owner whose registration is suspended pursuant to subsection ~~44;~~ 5, failed
21 to have insurance on the date specified in the form for verification, the
22 department shall reinstate the registration of the vehicle and reissue the
23 license plates only upon filing by the registered owner of evidence of
24 current insurance and payment of the fee for reinstatement of registration
25 prescribed in paragraph (a) of subsection 6 of NRS 482.480.

26 ~~47;~~ 8. If a registered owner proves to the satisfaction of the department
27 that his vehicle was a dormant vehicle during the period in which the
28 information provided pursuant to NRS 485.314 indicated that there was no
29 insurance for the vehicle, the department shall reinstate his registration and,
30 if applicable, reissue his license plates. If such an owner of a dormant
31 vehicle failed to cancel the registration for the vehicle in accordance with
32 subsection 3 of NRS 485.320, the department shall not reinstate his
33 registration or reissue his license plates unless the owner pays the fee set
34 forth in paragraph (b) of subsection 6 of NRS 482.480.

35 ~~48;~~ 9. For the purposes of verification of insurance by the department
36 pursuant to this section, a ~~{registered owner shall not}~~ motor vehicle shall
37 be deemed to ~~{have failed to maintain}~~ be covered by liability insurance
38 ~~{for a motor vehicle}~~ unless the motor vehicle is without coverage for a
39 period of more than 7 days.

40 Sec. 7. This act becomes effective on July 1, 2001.

