Assembly Bill No. 141–Assemblymen Horne, Kirkpatrick, Parks, Conklin, Allen, Anderson, Arberry, Atkinson, Buckley, Claborn, Denis, Gerhardt, Goedhart, Hogan, Kihuen, Leslie, Mabey, Marvel, McClain, Mortenson, Munford, Oceguera, Ohrenschall, Parnell, Pierce, Segerblom, Smith and Womack

Joint Sponsors: Senators Wiener, Coffin, Titus, Horsford, Lee, Mathews, Washington and Woodhouse

## CHAPTER.....

AN ACT relating to motor vehicles; providing for the inspection and forfeiture of certain seized vehicles or parts which have altered or missing identification numbers or marks; prohibiting the disclosure of certain information related to the investigation of such a vehicle or part; prohibiting a vehicle dealer, garage owner and certain other businesses from possessing a vehicle or part which has a missing or altered identification number or mark; revising the penalty for possessing such a vehicle or part; and providing other matters properly relating thereto.

## Legislative Counsel's Digest:

**Section 7** of this bill prohibits vehicle dealers, garagemen, automobile wreckers, operators of salvage pools or body shops or the employees of any such establishment from taking possession of a motor vehicle or part from a motor vehicle which he knows to have identification numbers or marks that have been falsely attached, removed, defaced, altered or obliterated. A person who violates this provision is guilty of a category D felony.

**Section 8** of this bill requires vehicle dealers, garagemen, automobile wreckers, operators of salvage pools or body shops, tow car operators and certain other businesses or the employees of any such establishment who discover during the course of business that a motor vehicle or part from a motor vehicle has an identification number or mark that has been falsely attached, removed, defaced, altered or obliterated to notify law enforcement within 24 hours after discovery and makes failure to notify a misdemeanor.

**Section 9** of this bill prohibits a person from disclosing in open court or in discoverable documents the confidential investigative techniques or the location of confidential identifying numbers or marks used by law enforcement with regard to stolen vehicles or parts.

**Section 12** of this bill requires law enforcement or an employee of the Department of Motor Vehicles to inspect vehicles or parts from vehicles seized by law enforcement to determine if a required identification number or mark has been falsely attached, removed, defaced, altered or obliterated. This section authorizes the forfeiture of the vehicle if the identification number or mark has been falsely attached, removed, defaced, altered or obliterated and there is no satisfactory evidence of ownership of the vehicle or part.

Existing law prohibits a person from knowingly possessing with the intent to sell, transfer, import or export more than one motor vehicle or parts from more than

one motor vehicle that have an identification number or mark that is defaced, destroyed or altered. (NRS 482.551) **Section 15** of this bill: (1) deletes the intent requirement; (2) deletes the requirement that there must be more than one motor vehicle; and (3) changes the penalty from a category D felony to a gross misdemeanor.

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

- **Section 1.** Chapter 482 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 9, inclusive, of this act.
- Sec. 2. As used in NRS 482.544 to 482.554, inclusive, and sections 2 to 9, inclusive, of this act, unless the context otherwise requires, the words and terms defined in NRS 484.544 and sections 3 to 6, inclusive, of this act have the meanings ascribed to them in those sections.
- Sec. 3. "Automobile wrecker" means a person who obtains a license pursuant to NRS 487.050 to dismantle, scrap, process or wreck a vehicle.
- Sec. 4. "Body shop" has the meaning ascribed to it in NRS 487.600.
- Sec. 5. "Garageman" has the meaning ascribed to it in NRS 487.545.
- Sec. 6. "Salvage pool" has the meaning ascribed to it in subsection 2 of NRS 487.400.
- Sec. 7. A vehicle dealer, employee of a vehicle dealer, garageman, employee of a garageman, owner or employee of an automobile wrecker, or operator of a salvage pool or body shop who takes possession of a motor vehicle or part from a motor vehicle knowing that an identification number or mark has been falsely attached, removed, defaced, altered or obliterated, unless the motor vehicle or part has an identification number attached to it which has been assigned or approved by the Department in lieu of the original identification number or mark, is guilty of a category D felony and shall be punished as provided in NRS 193.130.
- Sec. 8. 1. A vehicle dealer, garageman, automobile wrecker, operator of a salvage pool or body shop, tow car operator, any other business subject to inspection pursuant to NRS 480.610 and the employee of any such establishment who discovers during the course of business that a motor vehicle or part from a motor vehicle has an identification number or mark that has been falsely attached, removed, defaced, altered or obliterated shall notify the

Department or a local law enforcement agency within 24 hours after discovery.

- 2. A person who fails to provide notification pursuant to subsection 1 is guilty of a misdemeanor.
- Sec. 9. 1. Except as otherwise provided in this section, a person shall not disclose during any court proceeding or in any written document produced pursuant to a request for discovery of documents in any action involving the theft of a motor vehicle or part from a motor vehicle the identification of any confidential investigative technique or the location of any confidential identifying number or mark used by a law enforcement agency or the Department to identify a motor vehicle or part from a motor vehicle.
- 2. Upon request of a party to the action, the court may review confidential techniques and information related to the location of confidential identifying numbers or marks in camera to determine whether disclosure of such information is necessary to determine the issue before the court and may make any orders that justice may require.

**Sec. 10.** NRS 482.290 is hereby amended to read as follows:

- 482.290 1. The Department is authorized to assign a distinguishing number to any motor vehicle or trailer whenever the vehicle identification number thereon has been [destroyed] falsely attached, removed, defaced, altered or obliterated, and any motor vehicle or trailer to which there is assigned a distinguishing number as authorized in this section shall be registered under such distinguishing number.
- 2. The Department shall collect a fee of \$2 for the assignment and recording of each such vehicle identification number and for the assignment of distinguishing numbers pursuant to NRS 482.553.
- 3. The number by which a motor vehicle or trailer is registered shall be permanently stamped or attached to the vehicle. [Willful defacement, alteration, substitution, or removal] False attachment or willful removal, defacement, alteration or obliteration of such a number with intent to defraud [shall be] is a gross misdemeanor.
  - **Sec. 11.** NRS 482.3175 is hereby amended to read as follows:
- 482.3175 1. The Department may refuse to issue or suspend or revoke a license as a vehicle transporter upon any of the following grounds:
- (a) Conviction of a felony in the State of Nevada or any other state, territory or nation.
  - (b) Material misstatement in the application for a license.
  - (c) Evidence of unfitness of the applicant or licensee.

- (d) Willful failure to comply with the provisions of this chapter or the regulations adopted pursuant thereto, or any law relating to the operation of a motor vehicle.
  - (e) Failure or refusal to furnish and keep in force any bond.
- (f) Failure of the licensee to maintain any other license required by any political subdivision of this State.
- (g) Knowingly having possession of a stolen motor vehicle or a motor vehicle with a [defaced, altered or obliterated] manufacturer's identification number or other distinguishing number or identification mark [.] which has been falsely attached, removed, defaced, altered or obliterated.
- (h) Loaning or permitting the improper use of any special license plate assigned to him.
- 2. Any person whose application is denied or license is suspended or revoked pursuant to this section is entitled to a hearing as provided in NRS 482.353.
  - **Sec. 12.** NRS 482.540 is hereby amended to read as follows:
- 482.540 1. Any police officer, without a warrant, may seize and take possession of any vehicle:
  - (a) Which is being operated with improper registration;
- (b) Which the officer has probable cause to believe has been stolen;
- (c) On which any motor number, manufacturer's number or identification mark has been falsely attached, *removed*, defaced, altered or obliterated; or
- (d) Which contains a part on which was placed or stamped by the manufacturer pursuant to federal law or regulation an identification number or other distinguishing number or mark that has been falsely attached, *removed*, defaced, altered or obliterated.
- 2. A law enforcement agency or an employee of the Department whose primary responsibility is to conduct investigations involving the theft of motor vehicles shall inspect any vehicle seized pursuant to paragraph (c) or (d) of subsection 1 to determine whether the number or mark in question on the vehicle or part from the vehicle has been falsely attached, removed, defaced, altered or obliterated and whether any person has presented satisfactory evidence of ownership of the vehicle. The agency or employee shall prepare a written report which sets forth the results of the inspection within 30 days after the vehicle is seized.
- 3. If the results of the report conclude that the number or mark in question has been falsely attached, removed, defaced, altered or obliterated and that there is no satisfactory evidence of

ownership, the court shall declare the vehicle forfeited and proceed in the manner set forth in NRS 482.542.

- 4. A person must not be charged with any criminal act which caused a motor vehicle to be seized pursuant to paragraph (c) or (d) of subsection 1 until the report is completed pursuant to subsection 2.
  - 5. As used in this section, "police officer" means:
  - (a) Any peace officer of the Department;
- (b) Sheriffs of counties and *officers* of metropolitan police departments and their deputies; and
  - (c) Marshals and policemen of cities and towns.
  - **Sec. 13.** NRS 482.544 is hereby amended to read as follows:
- 482.544 [As used in NRS 482.544 to 482.554, inclusive, unless the context otherwise requires, "identification" "Identification" number or mark" means:
- 1. The motor number, other distinguishing number or identification mark of a vehicle required or employed for purposes of registration; or
- 2. The identification number or other distinguishing number or identification mark of a vehicle or part of a motor vehicle that was placed or stamped on that vehicle or part by the manufacturer pursuant to federal law or regulations.
  - Sec. 14. NRS 482.545 is hereby amended to read as follows:

482.545 It is unlawful for any person to commit any of the following acts:

- 1. To operate, or for the owner thereof knowingly to permit the operation of, upon a highway any motor vehicle, trailer or semitrailer which is not registered or which does not have attached thereto and displayed thereon the number of plate or plates assigned thereto by the Department for the current period of registration or calendar year, subject to the exemption allowed in NRS 482.316 to 482.3175, inclusive, 482.320 to 482.363, inclusive, 482.385 to 482.3965, inclusive, and 482.420.
- 2. To display, cause or permit to be displayed or to have in possession any certificate of registration, license plate, certificate of title or other document of title knowing it to be fictitious or to have been cancelled, revoked, suspended or altered.
- 3. To lend to, or knowingly permit the use of by, one not entitled thereto any registration card or plate issued to the person so lending or permitting the use thereof.
- 4. To fail or to refuse to surrender to the Department, upon demand, any registration card or plate which has been suspended, cancelled or revoked as provided in this chapter.

- 5. To use a false or fictitious name or address in any application for the registration of any vehicle or for any renewal or duplicate thereof, or knowingly to make a false statement or knowingly to conceal a material fact or otherwise commit a fraud in an application. A violation of this subsection is a gross misdemeanor.
  - 6. Knowingly to operate a vehicle which:
- (a) Has an [altered] identification number or mark [; or] which has been falsely attached, removed, defaced, altered or obliterated; or
- (b) Contains a part which has an [altered] identification number or mark [.] which has been falsely attached, removed, defaced, altered or obliterated.
  - **Sec. 15.** NRS 482.551 is hereby amended to read as follows:
- 482.551 1. Except as otherwise provided in [subsections 3 and 4,] subsection 3, a person who knowingly:
  - (a) Buys with the intent to resell;
  - (b) Disposes of;
  - (c) Sells; or
  - (d) Transfers,
- ⇒ [more than one] a motor vehicle or [parts from more than one] part from a motor vehicle that [have] has an identification number or mark that [is] has been falsely attached, removed, defaced, [destroyed or] altered or obliterated to misrepresent the identity or to prevent the identification of the motor [vehicles or parts of the motor vehicles,] vehicle or part from a motor vehicle is guilty of a category B felony and shall be punished by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 10 years, and may be further punished by a fine of not more than \$60,000, or by both fine and imprisonment.
- 2. Except as otherwise provided in [subsections 3 and 4,] subsection 3 and section 7 of this act, or if a greater penalty is otherwise provided by law, a person who [knowingly possesses with the intent to sell, transfer, import or export more than one] takes possession of a motor vehicle or [parts from more than one] part from a motor vehicle knowing that [have] an identification number or mark [that is] has been falsely attached, removed, defaced, [destroyed or altered to misrepresent the identity or prevent the identification of the motor vehicles or parts of the motor vehicles, is guilty of a category D felony and shall be punished as provided in NRS 193.130, and may be further punished by a fine of not more than \$30.000.

- 3. The provisions of this section do not apply to a licensed automobile wrecker or salvage pool that in the normal, legal course of business and in good faith, processes a motor vehicle or part of a motor vehicle by crushing, compacting or using other similar methods to process the motor vehicle or part if:
- (a) The identification number or mark of the motor vehicle or part of the motor vehicle was not defaced, destroyed or altered before the processing; or
- (b) The motor vehicle or part of the motor vehicle was obtained from a person described in subsection 4.
- 4.] altered or obliterated is guilty of a gross misdemeanor and shall be punished by imprisonment in the county jail for not more than 1 year, or by a fine of not more than \$10,000, or by both fine and imprisonment.
- **3.** The provisions of this section do not apply to an owner of or person authorized to possess a motor vehicle or part of a motor vehicle:
- (a) If the motor vehicle or part of the motor vehicle was recovered by a law enforcement agency after having been stolen; [or]
- (b) If the condition of the identification number or mark of the motor vehicle or part of the motor vehicle is known to, or has been reported to, a law enforcement agency [-.
  - 5. For the purposes of this section:
- (a) "Automobile wrecker" means a person who obtains a license pursuant to NRS 487.050 to dismantle, scrap, process or wreck a vehicle.
- (b) "Salvage pool" has the meaning ascribed to it in subsection 2 of NRS 487.400.]; or
- (c) If the motor vehicle or part from the motor vehicle has an identification number attached to it which has been assigned or approved by the Department in lieu of the original identification number or mark.
  - **Sec. 16.** NRS 482.553 is hereby amended to read as follows:
- 482.553 1. A person shall not intentionally *remove*, deface, [destroy or] alter *or obliterate* the identification number or mark of a vehicle or part [of] *from* a motor vehicle without written authorization from the Department, nor shall any person *attach to or* place or stamp *upon a vehicle or the parts thereof* any serial, motor or other number or mark [upon a vehicle or the parts thereof] except one assigned thereto by the Department.
- 2. This section does not prohibit the restoration by an owner of the original vehicle identification number or mark when the

restoration is authorized by the Department, nor prevent any manufacturer from placing in the ordinary course of business numbers or marks upon new motor vehicles or new parts thereof.

- 3. The Department shall assign serial numbers to all homemade vehicles, and the serial numbers must be placed:
- (a) If an open trailer, on the left-hand side of the tongue of the trailer.
- (b) If an enclosed vehicle, on the pillar post for the left-hand door hinge [,] or, if such placement is not appropriate, then on the left-hand side of the fire wall, under the hood.
- 4. Any person who violates a provision of subsection 1 is guilty of a category D felony and shall be punished as provided in NRS 193.130, and may be further punished by a fine of not more than \$25.000.

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