ASSEMBLY BILL NO. 481–ASSEMBLYMEN OHRENSCHALL, SEGERBLOM, PARKS, PIERCE, LESLIE, DENIS, GERHARDT, GOEDHART, HARDY, HOGAN, KOIVISTO, MANENDO, MCCLAIN, MORTENSON, MUNFORD, OCEGUERA AND WOMACK

MARCH 19, 2007

JOINT SPONSORS: SENATORS TOWNSEND, TITUS, COFFIN, HORSFORD, LEE AND WOODHOUSE

Referred to Committee on Transportation

SUMMARY—Makes various changes to provisions concerning motor vehicle emissions and fuel efficiency. (BDR 43-1022)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact. Effect on the State: Yes.

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

AN ACT relating to motor vehicles; exempting the purchaser of a fuel efficient vehicle from licensing and registration fees for 5 years; requiring the Department of Motor Vehicles to issue a decal or other identifier to the owner of a fuel efficient vehicle; authorizing a driver of a fuel efficient vehicle to operate the vehicle in a lane designated for use by high-occupancy vehicles; exempting the driver of a fuel efficient vehicle from certain public parking fees; exempting fuel efficient vehicles from the governmental services tax for 5 years; exempting fuel efficient vehicles from certain sales tax; requiring the State Environmental Commission to adopt by regulation California emissions standards for motor vehicles; making it unlawful to transfer ownership of a vehicle that does not meet certain emissions standards; providing a penalty; and providing other matters properly relating thereto.





Legislative Counsel's Digest:

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Section 4 of this bill requires the Department of Motor Vehicles to determine whether a passenger car is a "fuel efficient vehicle" for the purposes of the bill. A passenger car which weighs 3,600 pounds or less must achieve a fuel efficiency of at least 38 miles per gallon, and a passenger car which weighs more than 3,600 pounds must achieve a fuel efficiency of at least 31 miles per gallon.

Sections 5 and 10-13 of this bill exempt the purchaser or long-term lessee of a fuel efficient vehicle from the license plate and registration fees charged by the Department of Motor Vehicles for the first 5 years after the vehicle is purchased or leased. (NRS 482.268, 482.429, 482.480, 482.503)

Sections 6, 14 and 15 of this bill require the Department to issue a distinctive decal or label to the owner or long-term lessee of a fuel efficient vehicle to distinguish the fuel efficient vehicle from other vehicles. A driver of a fuel efficient vehicle may operate the vehicle in a lane designated for use by high-occupancy vehicles, regardless of the number of passengers, and may park in any public parking lot or metered parking zone without paying a fee.

Sections 9 and 16 of this bill exempt fuel efficient vehicles from the governmental services tax required by NRS 371.030 for the first 5 years after the vehicle is purchased or leased. Sections 17, 18 and 19 of this bill exempt fuel efficient vehicles from the local school support sales tax required by NRS 374.110. Section 26 of this bill provides that the exemption from the local school support sales tax expires on June 30, 2009.

Existing federal law requires states to adopt federal emission standards or adopt the emissions standards provided for under California law. States that choose to adopt California's standards must provide manufacturers notice 2 years before implementing such standards. (42 U.S.C. § 7507) Section 22 of this bill requires the Commission to adopt California's emissions standards to apply to vehicles of the 2010 model year and every year thereafter. Section 22 also mandates that the State Environmental Commission adopt regulations to establish and maintain a low emissions vehicle program that is identical to California's motor vehicle emissions standards

Section 23 of this bill prohibits the Department from registering a vehicle which is subject to but does not meet the standards of the low emissions vehicle program. **Section 23** also makes it unlawful to transfer ownership of a vehicle that is subject to but does not meet the new emissions standards. **Section 24** of this bill exempts certain vehicles from the new emissions standards.

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 6, inclusive, of this act.
- Sec. 2. "Fuel efficient vehicle" means a passenger car that is determined by the Department to achieve a minimum standard of fuel efficiency pursuant to section 4 of this act.
- Sec. 3. "Vehicle curb weight" means the actual or manufacturer's estimated weight of a vehicle in operational status with all standard equipment and weight of fuel at nominal tank capacity. The weight of optional equipment must be computed in accordance with 40 C.F.R. § 86.082-24.





- Sec. 4. 1. The Department shall adopt regulations which set forth the make and model of each passenger car which it determines:
- (a) If the passenger car has a vehicle curb weight of 3,600 pounds or less, achieves an overall fuel efficiency of at least 38 miles per gallon.
 - (b) If the passenger car has a vehicle curb weight of more than 3,600 pounds, achieves an overall fuel efficiency of at least 31 miles per gallon.
 - 2. The Department shall use data from the United States Environmental Protection Agency to determine the fuel efficiency of a passenger car pursuant to this section, if available.
 - Sec. 5. 1. The license plate, title and registration fees imposed by NRS 482.268, 482.429 and 482.480 do not apply to a purchaser or a long-term lessee of a fuel efficient vehicle for the first 5 years after the purchase or long-term lease of the vehicle.
 - 2. The Department shall adopt regulations which:
 - (a) Prescribe the documentation necessary for a purchaser or a long-term lessee of a fuel efficient vehicle to present to the Department to prove he has purchased or leased a fuel efficient vehicle; and
 - (b) Establish procedures for collecting such documentation and granting a waiver of license plate, title and registration fees.
 - Sec. 6. 1. When a fuel efficient vehicle is registered pursuant to this chapter, the Department shall issue to the owner or long-term lessee a distinctive decal, label or other identifier which clearly distinguishes the fuel efficient vehicle from other vehicles.
- 29 2. A driver of a fuel efficient vehicle displaying the decal, 30 label or other identifier issued pursuant to subsection 1 may:
 - (a) Operate the fuel efficient vehicle in a lane designated for the use of high-occupancy vehicles pursuant to NRS 484.312, regardless of the number of occupants in the vehicle;
 - (b) Stop, stand or park the fuel efficient vehicle in a metered parking zone without depositing a coin of United States currency of the designated denomination in the parking meter; and
 - (c) Stop, stand or park the fuel efficient vehicle in any public parking lot or parking area without paying a parking fee.
 - Sec. 7. NRS 482.010 is hereby amended to read as follows:
 - 482.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 482.0105 to 482.137, inclusive, *and sections 2 and 3 of this act* have the meanings ascribed to them in those sections.





- **Sec. 8.** NRS 482.215 is hereby amended to read as follows:
- 482.215 1. All applications for registration, except applications for renewal of registration, must be made as provided in this section.
- 2. Except as otherwise provided in NRS 482.294, applications for all registrations, except renewals of registration, must be made in person, if practicable, to any office or agent of the Department or to a registered dealer.
- 3. Each application must be made upon the appropriate form furnished by the Department and contain:
- (a) The signature of the owner, except as otherwise provided in subsection 2 of NRS 482.294, if applicable.
 - (b) His residential address.

- (c) His declaration of the county where he intends the vehicle to be based, unless the vehicle is deemed to have no base. The Department shall use this declaration to determine the county to which the governmental services tax is to be paid.
- (d) A brief description of the vehicle to be registered, including the name of the maker, the engine, identification or serial number, whether new or used, and the last license number, if known, and the state in which it was issued, and upon the registration of a new vehicle, the date of sale by the manufacturer or franchised and licensed dealer in this State for the make to be registered to the person first purchasing or operating the vehicle.
- (e) Except as otherwise provided in this paragraph, if the applicant is not an owner of a fleet of vehicles or a person described in subsection 5, a declaration signed by the applicant that he has provided the insurance required by NRS 485.185 and will maintain the insurance during the period of registration. If the application is submitted by electronic means pursuant to NRS 482.294, the applicant is not required to sign the declaration required by this paragraph.
- (f) If the applicant is an owner of a fleet of vehicles or a person described in subsection 5, evidence of insurance:
- (1) In the form of a certificate of insurance on a form approved by the Commissioner of Insurance;
- (2) In the form of a card issued pursuant to NRS 690B.023 which identifies the vehicle and indicates, at the time of application for registration, coverage which meets the requirements of NRS 485.185; or
 - (3) In another form satisfactory to the Department.
- → The Department may file that evidence, return it to the applicant or otherwise dispose of it.
- (g) If required, evidence of the applicant's compliance with controls over emission.





- 4. The application must contain such other information as is required by the Department or registered dealer and must be accompanied by proof of ownership satisfactory to the Department.
- 5. For purposes of the evidence required by paragraph (f) of subsection 3:
- (a) Vehicles which are subject to the fee for a license and the requirements of registration of the Interstate Highway User Fee Apportionment Act, and which are based in this State, may be declared as a fleet by the registered owner thereof on his original application for or application for renewal of a proportional registration. The owner may file a single certificate of insurance covering that fleet.
- (b) Other fleets composed of 10 or more vehicles based in this State or vehicles insured under a blanket policy which does not identify individual vehicles may each be declared annually as a fleet by the registered owner thereof for the purposes of an application for his original or any renewed registration. The owner may file a single certificate of insurance covering that fleet.
- (c) A person who qualifies as a self-insurer pursuant to the provisions of NRS 485.380 may file a copy of his certificate of self-insurance.
- (d) A person who qualifies for an operator's policy of liability insurance pursuant to the provisions of NRS 485.186 and 485.3091 may file evidence of that insurance.
- 6. Pursuant to section 23 of this act, no motor vehicle may be registered in this State which does not comply with the regulations adopted pursuant to the provisions of section 22 of this act.
 - **Sec. 9.** NRS 482.260 is hereby amended to read as follows:
- 482.260 1. When registering a vehicle, the Department and its agents or a registered dealer shall:
- (a) Collect the fees for license plates and registration as provided for in this chapter.
- (b) Except as otherwise provided in NRS 482.321, *and section* 16 of this act, collect the governmental services tax on the vehicle, as agent for the county where the applicant intends to base the vehicle for the period of registration, unless the vehicle is deemed to have no base.
- (c) Collect the applicable taxes imposed pursuant to chapters 372, 374, 377 and 377A of NRS.
 - (d) Issue a certificate of registration.
- (e) If the registration is performed by the Department, issue the regular license plate or plates.
- (f) If the registration is performed by a registered dealer, provide information to the owner regarding the manner in which the regular license plate or plates will be made available to him.





2. Upon proof of ownership satisfactory to the Director, he shall cause to be issued a certificate of title as provided in this chapter.

3. Except as otherwise provided in NRS 371.070, *and section* 16 of this act, every vehicle being registered for the first time in Nevada must be taxed for the purposes of the governmental services tax for a 12-month period.

4. The Department shall deduct and withhold 2 percent of the taxes collected pursuant to paragraph (c) of subsection 1 and remit the remainder to the Department of Taxation.

5. A registered dealer shall forward all fees and taxes collected for the registration of vehicles to the Department.

Sec. 10. NRS 482.268 is hereby amended to read as follows:

482.268 1. In addition to any other applicable fee, there must be paid to the Department a fee of 50 cents for each license plate issued for a motor vehicle, trailer or semitrailer. The fee paid pursuant to this section must be deposited with the State Treasurer for credit to the Fund for Prison Industries to defray the cost of producing the license plate.

2. Pursuant to section 5 of this act, the fee imposed by this section does not apply to a purchaser or a long-term lessee of a fuel efficient vehicle for the first 5 years after the purchase or long-term lease of the vehicle.

Sec. 11. NRS 482.429 is hereby amended to read as follows: 482.429 *I*. For its services under this chapter, the Department shall charge and collect the following fees:

For each certificate of title issued for a vehicle present or registered in this State \$20.00

For each duplicate certificate of title issued \$20.00

For each certificate of title issued for a vehicle not present in or registered in this State \$35.00

For the processing of each dealer's or rebuilder's report of sale submitted to the Department \$8.25

For the processing of each long-term lessor's report of lease submitted to the Department \$8.25

For the processing of each endorsed certificate of title or statement submitted to the Department upon the sale of a used or rebuilt vehicle in this State by a person who is not a dealer or rebuilder \$8.25

2. Pursuant to section 5 of this act, the fees imposed by this section do not apply to a purchaser or a long-term lessee of a fuel efficient vehicle for the first 5 years after the purchase or long-term lease of the vehicle.





Sec. 12. NRS 482.480 is hereby amended to read as follows:

482.480 [There] Except as otherwise provided in NRS 482.503, there must be paid to the Department for the registration or the transfer or reinstatement of the registration of motor vehicles, trailers and semitrailers, fees according to the following schedule:

- 1. Except as otherwise provided in this section, for each stock passenger car and each reconstructed or specially constructed passenger car registered to a person, regardless of weight or number of passenger capacity, a fee for registration of \$33.
 - 2. Except as otherwise provided in subsection 3:
- (a) For each of the fifth and sixth such cars registered to a person, a fee for registration of \$16.50.
- (b) For each of the seventh and eighth such cars registered to a person, a fee for registration of \$12.
- (c) For each of the ninth or more such cars registered to a person, a fee for registration of \$8.
 - 3. The fees specified in subsection 2 do not apply:
- (a) Unless the person registering the cars presents to the Department at the time of registration the registrations of all of the cars registered to him.
 - (b) To cars that are part of a fleet.
- 4. For every motorcycle, a fee for registration of \$33 and for each motorcycle other than a trimobile, an additional fee of \$6 for motorcycle safety. The additional fee must be deposited in the State Highway Fund for credit to the Account for the Program for the Education of Motorcycle Riders.
- 5. For each transfer of registration, a fee of \$6 in addition to any other fees.
- 6. Except as otherwise provided in subsection 9 of NRS 485.317, to reinstate the registration of a motor vehicle suspended pursuant to that section:
- (a) A fee of \$250 for a registered owner who failed to have insurance on the date specified in the form for verification that was mailed by the Department pursuant to subsection 3 of NRS 485.317; or
- (b) A fee of \$50 for a registered owner of a dormant vehicle who cancelled the insurance coverage for that vehicle or allowed the insurance coverage for that vehicle to expire without first cancelling the registration for the vehicle in accordance with subsection 3 of NRS 485.320,
- both of which must be deposited in the Account for Verification of Insurance which is hereby created in the State Highway Fund.

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- The money in the Account must be used to carry out the provisions of NRS 485.313 to 485.318, inclusive.
 - 7. For every travel trailer, a fee for registration of \$27.



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- 8. For every permit for the operation of a golf cart, an annual fee of \$10.
 - 9. For every low-speed vehicle, as that term is defined in NRS 484.527, a fee for registration of \$33.
 - 10. To reinstate the registration of a motor vehicle that is suspended pursuant to NRS 482.451, a fee of \$33.
 - **Sec. 13.** NRS 482.503 is hereby amended to read as follows:
- 8 482.503 The registration fee imposed by this chapter does not 9 apply to [vehicles]:
 - 1. A vehicle owned by the United States, the State of Nevada, any political subdivision of the State of Nevada, or any county, municipal corporation, city, unincorporated town or school district in the State [of Nevada.]; or
 - 2. Pursuant to section 5 of this act, a fuel efficient vehicle for the first 5 years after the purchase or long-term lease of the vehicle.
 - **Sec. 14.** NRS 484.312 is hereby amended to read as follows:
 - 484.312 1. The Department of Transportation, with respect to highways under its jurisdiction, may designate a lane on a highway for the preferential or exclusive use of high-occupancy vehicles.
 - 2. The Department of Transportation shall, for each lane that it designates pursuant to this section for the use of high-occupancy vehicles:
 - (a) Determine the conditions for use of the lane, including, without limitation:
 - (1) The number of occupants required per vehicle; and
 - (2) The hours of the day that the use of the lane is restricted.
 - (b) Place and maintain signs and other official traffic-control devices that:
 - (1) Identify the lane as designated for the use of high-occupancy vehicles; and
 - (2) Advise operators of vehicles of the required conditions for the use of the lane.
 - 3. A person shall not operate a vehicle in a lane designated for the use of high-occupancy vehicles except in conformity with the established conditions which are placed and maintained on signs and other official traffic-control devices pursuant to subsection 2 or established by regulation.
 - 4. A person who violates subsection 3 is guilty of a misdemeanor and shall be fined \$250 for each offense.
 - 5. The Department of Transportation may adopt regulations necessary to carry out the provisions of this section.
 - 6. As used in this section, "high-occupancy vehicle" means:
 - (a) A vehicle that is transporting more than one person;
 - (b) A motorcycle, regardless of the number of passengers;



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(c) A bus, regardless of the number of passengers; [and]

(d) A fuel efficient vehicle displaying a decal, label or other identifier issued pursuant to section 6 of this act, regardless of the number of passengers; and

(e) Any other vehicle designated by regulation.

Sec. 15. NRS 484.443 is hereby amended to read as follows:

484.443 1. [When] Except as otherwise provided in section 6 of this act, when parking meters are erected by any local authority pursuant to an adopted ordinance giving notice thereof, it is unlawful for any person to stop, stand or park a vehicle in any metered parking zone for a period of time longer than designated by such parking meters upon a deposit of a coin of United States currency of the designated denomination.

2. Every vehicle shall be parked wholly within the metered parking space for which the meter shows parking privilege has been granted.

3. It is unlawful for any unauthorized person to remove, deface, tamper with, open, willfully break, destroy or damage any parking meter, or willfully to manipulate any parking meter in such a manner that the indicator will fail to show the correct amount of unexpired time before a violation occurs.

Sec. 16. Chapter 371 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. Vehicles registered as fuel efficient vehicles pursuant to chapter 482 of NRS are exempt from taxation for the first 5 years after the purchase or long-term lease of the vehicle, but the exemption must not be allowed to anyone but actual bona fide residents of this State, and must be filed in but one county in this State to the same family.
- 2. The person claiming the exemption shall file with the Department in the county where the exemption is claimed an affidavit declaring his residency and that the exemption has been claimed in no other county in this State for that year. The affidavit must be made before the county assessor or a notary public. After the filing of the original affidavit, the county assessor shall mail a form for renewal of the exemption to the person each year following a year in which the exemption was allowed for that person until the fifth year of the exemption is reached. The form must be designed to facilitate its return by mail by the person claiming the exemption.
- **Sec. 17.** Chapter 374 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. There are exempted from the taxes imposed by this chapter the gross receipts from the sale, storage, use or other consumption in a county of fuel efficient vehicles.





1 2. As used in this section, "fuel efficient vehicle" has the meaning ascribed to it in section 2 of this act.

Sec. 18. NRS 374.200 is hereby amended to read as follows:

374.200 Every retailer maintaining a place of business in a county and making sales of tangible personal property for storage, use or other consumption in the county, not exempted under NRS 374.265 to 374.355, inclusive, *and section 17 of this act*, shall, at the time of making the sales or, if the storage, use or other consumption of the tangible personal property is not then taxable hereunder, at the time the storage, use or other consumption becomes taxable, collect the tax from the purchaser and give to the purchaser a receipt therefor in the manner and form prescribed by the Department.

Sec. 19. NRS 374.265 is hereby amended to read as follows:

374.265 "Exempted from the taxes imposed by this chapter," as used in NRS 374.265 to 374.355, inclusive, *and section 17 of this act*, means exempted from the computation of the amount of taxes imposed.

Sec. 20. Chapter 445B of NRS is hereby amended by adding thereto the provisions set forth as sections 21 to 24, inclusive, of this act.

Sec. 21. "Program" means the low emissions vehicle program established pursuant to section 22 of this act.

Sec. 22. 1. The Commission, in cooperation with the Department of Motor Vehicles, shall adopt regulations to establish and maintain a low emissions vehicle program that is identical to the low emissions vehicle program under California law. The Commission may adopt California's regulations by reference.

- 2. The program established pursuant to subsection 1 must:
- (a) Be applicable to vehicles of the 2010 model year and each model year thereafter; and
- (b) Set forth low emissions standards and compliance requirements for motor vehicles manufactured in each model year included in the program which match the standards and requirements set by California for that model year, pursuant to 42 U.S.C. § 7507.
- 3. As part of the compliance requirements established pursuant to subsection 1, the Commission may adopt regulations establishing new motor vehicle emissions inspection, recall and warranty requirements.
- 4. The Commission may work in cooperation with and enter into contracts or agreements with California, other states and the District of Columbia to administer certification, compliance, inspection, recall and warranty requirements for the program.





- The Commission or any other state agency shall not adopt any regulation which requires the sale or use of gasoline reformulated for sale in California.
- Sec. 23. 1. Except as otherwise provided in section 24 of this act, the Department of Motor Vehicles shall not issue a certificate of title or registration for a motor vehicle, pursuant to chapter 482 of NRS, which is subject to the regulations adopted pursuant to section 22 of this act but does not comply with the standards of the program provided for in those regulations.
- 2. A person shall not transfer ownership of a motor vehicle or motor vehicle engine that is subject to the regulations adopted pursuant to section 22 of this act if the motor vehicle or motor vehicle engine does not comply with the standards of the program provided for in those regulations.
- A person who violates the provisions of subsection 2 is guilty of a misdemeanor.
- Sec. 24. The Commission may provide by regulation for the exemption of certain vehicles from the program, including, without limitation:
- 1. A motor vehicle purchased in this State which will be registered in another state:
- 2. A motor vehicle from out of State which is transferred by inheritance or decree of divorce, dissolution or legal separation entered by a court of competent jurisdiction;
 - 3. A motor vehicle purchased by a nonresident before establishing residency in this State; and
 - 4. A used vehicle, as defined by NRS 482.132, which was originally purchased in a state with emissions standards different from those of this State.
- **Sec. 25.** NRS 445B.700 is hereby amended to read as follows: 30 445B.700 As used in NRS 445B.700 to 445B.845, inclusive, 31 and sections 21 to 24, inclusive, of this act, unless the context 32 otherwise requires, the words and terms defined in NRS 445B.705 33
- to 445B.758, inclusive, and section 21 of this act, have the 34 35 meanings ascribed to them in those sections.
- **Sec. 26.** 1. This act becomes effective on October 1, 2007. 36 37
 - Section 17 of this act expires by limitation on June 30, 2009.





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