

Senate Bill No. 452–Committee on Transportation
and Homeland Security

CHAPTER.....

AN ACT relating to motor vehicles; requiring inspections for certain vehicles to ensure their roadworthiness; amending criteria which may be used to deny, revoke or refuse to renew a license; amending provisions relating to surety bonds provided by brokers, manufacturers, distributors, rebuilders and dealers; requiring a driving school to inspect its vehicles annually; increasing penalties for a violation of rules and regulations regarding driving schools; increasing the penalties for selling a vehicle with an altered odometer; amending provisions relating to the wrecking and salvaging of vehicles; amending the procedures for a transfer of ownership in a vehicle by a junk certificate; repealing a provision relating to special license plates issued to a dealer; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Section 1 of this bill expands the authority of investigators of the Department of Motor Vehicles in enforcing laws relating to acts of fraud by businesses licensed by the Department. (NRS 481.048)

Section 4 of this bill requires certain vehicles to be inspected and certified for roadworthiness before they may be given a title. **Section 5** of this bill requires a licensed dealer, rebuilder, manufacturer, distributor, broker or long-term or short-term lessor and other licensees to display their licenses in a conspicuous place. **Section 6** of this bill creates a legal presumption that a person engaged in certain activities is a vehicle dealer for purposes of chapter 482 of NRS, and **section 20** of this bill provides criminal penalties for anyone doing so without a license.

Section 17 of this bill requires a person who submits a license renewal electronically to keep the required statement regarding child support on file for 3 years. (NRS 425.520, 482.319) **Sections 20, 21, 51, 53, 57, 61 and 62** of this bill create new and amend existing provisions of NRS relating to an applicant's unfitness for a license. (NRS 482.322, 482.3255, 487.160, 487.490, 487.564, 487.650) **Sections 22 and 23** of this bill provide the conditions under which a dealer's branch location may be operated. (NRS 482.326, 482.332) **Section 22.5** of this bill allows dealers to use not more than six license plates issued to them by the Department for personal use by them or by a member of their immediate family. (NRS 482.330)

Sections 7 and 24 of this bill require the Director of the Department to consider any administrative fines imposed upon a dealer, distributor, rebuilder, manufacturer or broker before renewal of a license. The Director may also require an additional bond before renewing a license. (NRS 482.3331)

Sections 25 and 27 of this bill increase the amount of a bond which must be given as surety by a dealer, distributor, rebuilder, manufacturer or broker and establishes a procedure for collecting on the bond. (NRS 482.3333, 482.345) **Section 26** of this bill prohibits a broker from displaying or using a vehicle in conjunction with an advertisement if he is not licensed to sell the vehicle. Existing



law provides that a used vehicle dealer may sell at wholesale a new vehicle to a new or used vehicle dealer. (NRS 482.350) **Section 28** of this bill limits this provision to certain instances.

Section 30 of this bill exempts a holder of a temporary permit as a salesman from the right to a hearing if a license is denied. (NRS 482.353) **Sections 37, 40 and 55** of this bill provide expanded criminal penalties for submitting falsified information to the Department. (NRS 482.436, 482.555, 487.200)

Section 42 of this bill requires a driving school to ensure its vehicles are inspected annually for roadworthiness and safety. **Section 43** of this bill allows the Department to impose an administrative fine which does not exceed \$2,500 for violation of provisions relating to driving schools. **Section 44** of this bill changes the length of time a license to operate a driving school is valid from 5 years to 1 year. (NRS 483.730)

Section 46 of this bill expands the activities relating to altering vehicle odometers for which a person is subject to a criminal penalty. (NRS 484.6063, 484.6067) **Section 47** of this bill increases the penalty for knowingly selling a motor vehicle with an odometer that has been altered for the purpose of fraud. (NRS 484.6067) **Section 48** of this bill raises the minimum amount that a person must pay to someone harmed by a violation of certain provisions relating to odometers from \$1,500 to \$2,500. (NRS 484.6068)

Section 52 of this bill defines when a salvage vehicle is considered to be in its entirety as opposed to when it is considered to be in parts. **Section 54** of this bill expands existing provisions that require a wrecker to maintain records relating to vehicles in his possession. (NRS 487.170) **Section 56** of this bill revises the procedures by which a vehicle is transferred by a junk certificate. (NRS 487.260)

Section 60 of this bill makes failure to pay or otherwise discharge a final judgment rendered against a garageman, instead of just failure to comply with an order of a court, grounds for the Department to revoke or refuse to renew his certificate of registration. (NRS 487.563)

Section 66 of this bill makes it a misdemeanor to violate any section of chapter 108 of NRS relating to statutory liens, unless otherwise provided. **Sections 67 and 68** of this bill require certain regulations relating to activities performed by an inspection station to be adopted by the State Environmental Commission, not the Department of Motor Vehicles. (NRS 445B.775, 445B.785) **Section 69** of this bill requires sellers and long-term lessors to provide evidence of compliance with emissions requirements with the dealer's report of sale. (NRS 445B.800) **Section 70** of this bill repeals the authority of dealers to register certain vehicles without paying the government services taxes on those vehicles. (NRS 482.321)

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

Section 1. NRS 481.048 is hereby amended to read as follows:
481.048 1. The Director shall appoint, within the limits of legislative appropriations, investigators for the Division of Compliance Enforcement.

2. The duties of the investigators are to travel the State and:

(a) Act as investigators in the enforcement of the provisions of chapters 482 and 487 of NRS, NRS 108.265 to 108.360, inclusive, and 108.440 to 108.500, inclusive, as those sections pertain to motor



vehicles, trailers, motorcycles, recreational vehicles and semitrailers, as defined in chapter 482 of NRS.

(b) Act as advisers to ~~[dealers]~~ *any business licensed by the Department* in connection with any problems arising under the provisions of ~~[chapter 482]~~ *chapters 108, 482, 483 and 487* of NRS.

(c) ~~[Cooperate with]~~ *Advise and assist* personnel of the Nevada Highway Patrol in the enforcement of ~~[the]~~ *traffic laws and* motor vehicle *registration* laws as they pertain to ~~[dealers.]~~ *any business licensed by the Department.*

(d) Act as investigators in the enforcement of the provisions of NRS 483.700 to 483.780, inclusive, relating to the licensing of schools and instructors for training drivers.

(e) *Exercise their police powers in the enforcement of the laws of this State to prevent acts of fraud or other abuses in connection with the provision of services offered to the public by the Department.*

(f) Perform such other duties as may be imposed by the Director.

Sec. 1.5. Chapter 482 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 7, inclusive, of this act.

Sec. 2. *“Kit trailer” means a vehicle without motive power which:*

- 1. Is designed to carry property on its own structure and to be drawn or towed by a motor vehicle;*
- 2. Is sold new in an unassembled, prepackaged condition;*
- 3. Does not exceed 6 feet in width and 8 feet in length once assembled; and*
- 4. Does not weigh more than 250 pounds unladen.*

Sec. 3. *“Service vehicle” or “work vehicle” means a vehicle owned and operated by a licensed dealer, manufacturer, distributor, long-term or short-term lessor, rebuilder or broker in the furtherance of his business. Such vehicles include, without limitation, a passenger shuttle bus, a tow car, a delivery vehicle or any other vehicle used to transport customers or property to or from the place of business of the dealer, manufacturer, distributor, long-term or short-term lessor, rebuilder or broker.*

Sec. 4. *1. Before an application for a title for a rebuilt, reconstructed or specially constructed vehicle may be submitted, the vehicle must be inspected and a certificate of inspection must be completed on a form prescribed by the Department which attests that:*

(a) The work performed on the vehicle meets the standards of the manufacturer for mechanical fitness and safety;



(b) The vehicle has been repaired to the standards of the manufacturer; and

(c) Any safety equipment, including, without limitation, occupant restraint devices, which was present in the vehicle at the time the vehicle was manufactured is present and operational to the standards of the manufacturer.

2. An application for a title for a rebuilt, reconstructed or specially constructed vehicle must include an affidavit which states that the vehicle:

(a) Has been inspected pursuant to subsection 1;

(b) Is in a condition to be operated safely on the highways of this State; and

(c) Has all safety equipment required by the manufacturer.

3. Any of the following persons may complete the inspection and sign the certificate of inspection and the affidavit required by subsections 1 and 2:

(a) A garageman who operates a garage that is registered pursuant to NRS 487.560;

(b) The owner of a body shop licensed pursuant to NRS 487.630;

(c) A rebuilder licensed pursuant to NRS 482.325; or

(d) Any employee of a garageman, owner of a body shop or rebuilder who is authorized by his employer to inspect the vehicle and attest that the repairs have been completed in accordance with the standards of the manufacturer.

Sec. 5. *A dealer, rebuilder, manufacturer, distributor, broker or long-term or short-term lessor licensed under the provisions of this chapter shall post his license, and all licenses issued to persons in his employ who are licensed as salesmen, in a conspicuous place clearly visible to the general public at the location described in the license.*

Sec. 6. *Except as otherwise provided in subsection 2 of NRS 482.020, the following activities are prima facie evidence that a person is engaged in the activities of a vehicle dealer:*

1. A person displays for sale, sells or offers for sale any vehicle which he does not personally own;

2. A person demonstrates, or allows the demonstration or operation of, any vehicle for the purpose of sale or future sale or as an inducement to purchase the vehicle; or

3. A person engages in an activity specified by subsection 1 of NRS 482.020 or any other act regarding a vehicle which would lead a reasonable person to believe that he may purchase that vehicle or a similar vehicle.



Sec. 7. *The Director shall, before renewing any license issued pursuant to NRS 482.325, consider:*

1. The number and types of complaints received against a manufacturer, distributor, rebuilder or dealer by the Department; and

2. Any administrative fines imposed upon the manufacturer, distributor, rebuilder or dealer by the Department pursuant to NRS 482.554 and 482.565,

↪ and may require the manufacturer, distributor, rebuilder or dealer to provide a good and sufficient bond in the amount set forth in subsection 1 of NRS 482.345 for each category of vehicle sold at each place of business and in each county in which the manufacturer, distributor, rebuilder or dealer is licensed to do business.

Sec. 8. 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. 9. NRS 482.011 is hereby amended to read as follows:

482.011 “Based” means *the place or domicile where a vehicle is* primarily used, or if a vehicle is often used in more than one county, then it means *the place or domicile where the vehicle is* primarily stored or ~~maintained.]~~ *kept.* A vehicle registered for intercounty or interstate operation under the provisions of chapter 706 of NRS shall be deemed to have no base.

Sec. 10. NRS 482.0125 is hereby amended to read as follows:

482.0125 “Branch” means an established place of business of a vehicle dealer *or long-term or short-term lessor* at which he conducts business simultaneously with, and physically separated from, his principal established place of business.

Sec. 11. NRS 482.0127 is hereby amended to read as follows:

482.0127 “Broker” means a person who, for a fee or any other consideration, offers to provide to another person the service of arranging, negotiating or assisting in the purchase of a new or used vehicle which has not been registered *or for which an ownership interest has not been taken* by the broker.

Sec. 12. NRS 482.020 is hereby amended to read as follows:

482.020 1. “Dealer” or “vehicle dealer” means any person who:

(a) For compensation, money or other thing of value sells, exchanges, buys, offers or displays for sale, negotiates or attempts to negotiate a sale or exchange of an interest in a vehicle subject to



registration under this chapter or induces or attempts to induce any person to buy or exchange an interest in a vehicle;

(b) *Represents himself as having the ability to sell, exchange, buy or negotiate the sale or exchange of an interest in a vehicle subject to registration under this chapter or in any other state or territory of the United States;*

(c) Receives or expects to receive a commission, money, brokerage fee, profit or any other thing of value from the seller or purchaser of a vehicle; or

~~[(e)]~~ (d) Is engaged wholly or in part in the business of selling vehicles or buying or taking in trade vehicles for the purpose of resale, selling or offering for sale or consignment to be sold or otherwise dealing in vehicles, whether or not he owns the vehicles.

2. “Dealer” or “vehicle dealer” does not include:

(a) An insurance company, bank, finance company, government agency or any other person coming into possession of a vehicle, acquiring a contractual right to a vehicle or incurring an obligation with respect to a vehicle in the performance of official duties or under the authority of any court of law, if the sale of the vehicle is for the purpose of saving the seller from loss or pursuant to the authority of a court of competent jurisdiction;

(b) A person, other than a long-term or short-term lessor, who is not engaged in the purchase or sale of vehicles as a business, but is disposing of vehicles acquired by the owner for his use and not for the purpose of avoiding the provisions of this chapter, or a person who sells not more than three personally owned vehicles in any 12-month period;

(c) Persons regularly employed as salesmen by dealers, licensed under this chapter, while those persons are acting within the scope of their employment; ~~[(or)]~~

(d) Persons who are incidentally engaged in the business of soliciting orders for the sale and delivery of vehicles outside the territorial limits of the United States if their sales of such vehicles produce less than 5 percent of their total gross revenue ~~[(or)]~~ ; or

(e) Persons who sell kit trailers but no other vehicle defined by this chapter.

Sec. 13. NRS 482.076 is hereby amended to read as follows:

482.076 Except as otherwise provided in NRS 482.363521, “new vehicle” means a vehicle ~~[(that)]~~:

~~—1. Has]~~ :

1. *That has* never been registered with the Department and has never been registered with the appropriate agency of authority of any other state, the District of Columbia, any territory or possession of the United States or foreign state, province or country; ~~[(or)]~~



~~2. If it~~

2. For which a certificate of title has never been issued by the Department or by the appropriate agency of authority of any other state, the District of Columbia, any territory or possession of the United States or foreign state, province or country; or

3. That has been so registered ~~and~~ or for which a certificate of title has been so issued, if the vehicle is equipped with an odometer ~~that~~ registers 2,500 miles or less. ~~on the odometer.~~

Sec. 14. NRS 482.097 is hereby amended to read as follows:

482.097 1. "Rebuilder" means a person engaged in the ~~business~~:

(a) *Business* of reconstructing motor vehicles by the alteration, addition or substitution of substantial or essential parts ~~;~~ *or*

(b) *Assembling of replica or specially constructed vehicles from unassembled parts.*

2. Nothing in this section shall be construed to require any licensed new or used vehicle dealer to secure a license as a rebuilder in conjunction with rebuilding in his own facilities.

Sec. 15. NRS 482.1005 is hereby amended to read as follows:

482.1005 *1.* "Recreational park trailer" means a vehicle which is primarily designed to provide temporary living quarters for recreational, camping or seasonal use and which:

~~1.~~ (a) Is built on a single chassis mounted on wheels;

~~2.~~ (b) Has a gross trailer area not exceeding 400 square feet in the set-up mode; and

~~3.~~ (c) Is certified by the manufacturer as complying with Standard No. A119.5 of the American National Standards Institute.

2. Nothing in this section shall be construed to mean that a recreational park trailer is a vehicle which must be registered pursuant to the provisions of this chapter.

Sec. 15.5. NRS 482.132 is hereby amended to read as follows:

482.132 Except as otherwise provided in NRS 482.366605, "used vehicle" means a vehicle that:

1. Has been registered with the Department or ~~has been registered~~ with the appropriate agency of authority of any other state, the District of Columbia, any territory or possession of the United States or foreign state, province or country ~~;~~ *and*

~~2. If~~, *and if* equipped with an odometer, registers more than 2,500 miles on the odometer ~~;~~ *or*

2. Regardless of mileage, is at least 1 model year old, as determined by the vehicle manufacturer, and has been registered with the Department or with the appropriate agency of authority of any other state, the District of Columbia, any territory or possession of the United States or foreign state, province or



country for 30 days or more, if no exemptions for registration exist under the laws of this State or the laws of the jurisdiction in which the vehicle was registered.

Sec. 16. NRS 482.220 is hereby amended to read as follows:

482.220 1. If the vehicle to be registered is a specially constructed, reconstructed, rebuilt or foreign vehicle, that fact must be stated in the application. If the vehicle is a foreign vehicle which has been registered theretofore outside of this State, the owner shall exhibit to the Department the certificate of title and registration card or other evidence of such former registration as may be in the applicant's possession or control or such other evidence as will satisfy the Department that the applicant is the lawful owner or possessor of the vehicle.

2. The application must be accompanied by a motor vehicle inspection certificate signed by a representative of the Department or, as one of the Department's authorized agents, by:

(a) A peace officer;

(b) A dealer;

(c) A rebuilder;

(d) An automobile wrecker; or

(e) A garageman or a service station operator or attendant, so designated in writing by the Director.

3. ~~[The]~~ *Except for a peace officer acting in his official capacity, the* Department or any of its authorized inspection agents are entitled to charge \$1 for inspection of any vehicle described in subsection 1.

4. *For the purposes of this section, "peace officer" means any employee, volunteer or designee of a law enforcement agency acting in an official capacity.*

Sec. 16.5. 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, collect]~~ *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, 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. 17. NRS 482.319 is hereby amended to read as follows:

482.319 1. ~~[A]~~ *Except as otherwise provided in subsection 5, a* natural person who applies for the issuance or renewal of a license issued pursuant to the provisions of NRS 482.318 to 482.363105, inclusive, shall submit to the Department the statement prescribed by the Division of Welfare and Supportive Services of the Department of Health and Human Services pursuant to NRS 425.520. The statement must be completed and signed by the applicant.

2. The Department shall include the statement required pursuant to subsection 1 in:

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

(b) A separate form prescribed by the Department.

3. A license may not be issued or renewed by the Department pursuant to the provisions of NRS 482.318 to 482.363105, inclusive, if the applicant is a natural person who:

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

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

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



or other public agency enforcing the order to determine the actions that the applicant may take to satisfy the arrearage.

5. If a licensee renews an existing license electronically, the licensee shall keep the original of the statement required pursuant to subsection 1 at his place of business for not less than 3 years after submitting the electronic renewal. The statement must be available during business hours for inspection by any authorized agent of the Director or the State of Nevada.

Sec. 18. NRS 482.320 is hereby amended to read as follows:

482.320 1. Except as otherwise provided in NRS 482.31776, a manufacturer, distributor, dealer or rebuilder who has an established place of business in this State ~~[, or a manufacturer who has executed a franchise with a dealer or distributor who has an established place of business in this State,]~~ and who owns or controls any new or used vehicle of a type otherwise required to be registered under the provisions of this chapter, may operate that vehicle or allow it to be operated for purposes of display, demonstration, maintenance, sale or exchange if there is displayed thereon a special plate or plates issued to the manufacturer, distributor, dealer or rebuilder as provided in NRS 482.275 and 482.330. ~~[Such a vehicle may also be moved or operated for the purpose of towing other vehicles which are to be sold or exchanged, or stored for the purpose of sale or exchange.]~~ Owners or officers of the corporation, *managers*, heads of departments and salesmen may *be temporarily assigned and* operate a vehicle displaying such plates.

2. The provisions of this section do not apply to:

(a) Work or service vehicles owned or controlled by a manufacturer, distributor, dealer or rebuilder.

(b) Vehicles leased by dealers, except vehicles rented or leased to vehicle salesmen in the course of their employment.

(c) Vehicles which are privately owned by the owners, officers or employees of the manufacturer, distributor, dealer or rebuilder.

(d) Vehicles which are being used for personal reasons by a person who is not licensed by the Department or otherwise exempted in subsection 1.

(e) Vehicles which have been given or assigned to persons who work for a manufacturer, distributor, dealer or rebuilder for services performed.

(f) Vehicles purchased by a manufacturer, distributor, dealer or rebuilder for personal use which the manufacturer, distributor, dealer or rebuilder is not licensed or authorized to resell.

Sec. 19. (Deleted by amendment.)



Sec. 20. NRS 482.322 is hereby amended to read as follows:

482.322 1. Except as otherwise provided in *subsection 2 and* NRS 482.3225, a person shall not engage in the activities of a new vehicle dealer, used vehicle dealer, manufacturer, distributor or rebuilder in this State until he has been issued:

(a) A new vehicle dealer's, used vehicle dealer's, manufacturer's, distributor's, rebuilder's or lessor's license certificate or similar license or permit by every city within whose corporate limits he maintains an established place of business and by every county in which he maintains an established place of business outside the corporate limits of a city; and

(b) A license by the Department. The Department shall not issue a license to the person until he has been issued all certificates, licenses and permits required by paragraph (a).

2. *A person licensed as a dealer pursuant to this chapter shall not engage in the activities of a new vehicle dealer until he has provided the Department with satisfactory proof that he is authorized by a manufacturer to display and offer for sale vehicles produced or distributed by that manufacturer.*

3. A vehicle dealer's, manufacturer's or rebuilder's license issued pursuant to this chapter does not permit a person to engage in the business of a new or used mobile home dealer, manufacturer or rebuilder.

~~[3]~~ 4. The Department shall investigate any applicant for a dealer's, manufacturer's, distributor's, rebuilder's or lessor's license certificate or license and complete an investigation report on a form provided by the Department.

5. *A person who violates subsection 1 or 2 is guilty of:*

(a) *For a first offense, a misdemeanor.*

(b) *For a second offense, a gross misdemeanor.*

(c) *For a third and any subsequent offense, a category D felony and shall be punished as provided in NRS 193.130.*

Sec. 21. NRS 482.3255 is hereby amended to read as follows:

482.3255 Evidence of unfitness of an applicant or a licensee for purposes of denial or revocation of a license may consist of, but is not limited to:

1. Failure to discharge a lienholder on a vehicle within 30 days after it is traded to his dealership.

2. Being the former holder of or being a partner, officer, director, owner or manager involved in management decisions of a dealership which held a license issued pursuant to NRS 482.325 which was revoked for cause and never reissued or was suspended upon terms which were never fulfilled.



3. Defrauding or attempting to defraud the State or a political subdivision of any taxes or fees in connection with the sale or transfer of a vehicle.

4. Forging the signature of the registered or legal owner of a vehicle on a certificate of title.

5. Purchasing, selling, otherwise disposing of or having in his possession any vehicle which he knows, or a reasonable person should know, is stolen or otherwise illegally appropriated.

6. Willfully failing to deliver to a purchaser or his lienholder a certificate of title to a vehicle he has sold.

7. Refusing to allow an agent of the Department to inspect, during normal business hours, all books, records and files of the dealership which are maintained within the State.

8. Any fraud which includes, but is not limited to:

(a) Misrepresentation in any manner, whether intentional or grossly negligent, of a material fact.

(b) An intentional failure to disclose a material fact.

9. Willful failure to comply with any regulation adopted by the Department.

10. Knowingly submitting or causing to be submitted any false, forged or otherwise fraudulent document to the Department to obtain a lien, title, salvage title or certificate of ownership or any duplicate thereof for a vehicle.

11. Knowingly causing or allowing a false, forged or otherwise fraudulent document to be maintained as a record of his business.

12. Violating the provisions of NRS 482.555 which involved the sale or transfer of interest in a vehicle.

Sec. 22. NRS 482.326 is hereby amended to read as follows:

482.326 1. A vehicle dealer shall inform the Department of the location of each place at which he conducts any business, and the name under which he does business at each location.

2. If a vehicle dealer does business at more than one location, he shall designate one location in each county in which he does business as his principal place of business for that county and one name as the principal name of his business. He shall designate all of his other business locations not otherwise designated as a principal place of business pursuant to this subsection as branches.

3. A vehicle dealer who maintains a principal place of business and one or more businesses designated as branches may operate those branches under the authority of the license issued by the Department to the principal place of business under the following conditions:



(a) The principal and branch locations are owned and operated by the same principal or group of principals listed on the records of the Department for the principal place of business;

(b) The sales activities conducted at a branch location are the same as those authorized by the Department at the principal place of business;

(c) The principal place of business and each branch location are located within the same county;

(d) The principal place of business and each branch location maintains the appropriate city or county license;

(e) The closest boundary of a branch location is not more than 500 feet from the principal place of business;

(f) The business sign displayed at each branch location meets the requirements of NRS 482.332 and is essentially the same in name, style and design as that of the principal place of business;

(g) Sales transactions originating at a branch location must be culminated, and the records of the transaction maintained, at the principal place of business; and

(h) The vehicle dealer shall provide all documentation which the Department deems necessary to ensure that each business location is operated in accordance with the provisions of this chapter and all other applicable laws and regulations established for the operation of a vehicle sales business in this State.

4. If a vehicle dealer changes the name or location of any of his established places of business, he shall ~~[, not later than 10 days after making the change, submit to the Department such documents relating to the change as the Department by regulation requires.]~~ not conduct business as a vehicle dealer under the new name or at the new location until he has been issued a license for the new name or location from the Department.

Sec. 22.5. NRS 482.330 is hereby amended to read as follows:

482.330 1. Upon issuance of a dealer's, distributor's, manufacturer's or rebuilder's license certificate pursuant to NRS 482.322, the Department shall furnish to the manufacturer, distributor, dealer or rebuilder one or more registration certificates and special plates for use on the vehicles described in the provisions of NRS 482.320. Each plate must have displayed upon it the identification number which is assigned to the dealer, distributor, manufacturer or rebuilder, and may at the discretion of the Department have a different letter or symbol on each plate or pair of plates. The manufacturer's, distributor's, dealer's or rebuilder's license plates may be used interchangeably on that vehicle.

2. The Department shall issue to each dealer a reasonable number of registration certificates and license plates.



3. The Department shall provide by regulation for the issuance of special license plates to dealers or rebuilders and for the number of those plates for use on vehicles loaned by those dealers or rebuilders to:

- (a) Customers in the course of business.
- (b) The State of Nevada.
- (c) The Nevada System of Higher Education.
- (d) A school district.
- (e) A county, city or town.
- (f) An organization that is exempt from taxation pursuant to the provisions of section 501(c)(3) of the Internal Revenue Code.

↳ The regulations must prescribe what use may be made of the plates and the persons who may operate a motor vehicle with those plates.

4. Notwithstanding the provisions of subsection 3, a dealer may use not more than six special plates from the total number of plates issued pursuant to this section for personal use by the dealer or a member of his immediate family.

Sec. 23. NRS 482.332 is hereby amended to read as follows:
482.332 ~~[A:]~~

1. Except as otherwise provided in subsection 2, at each of his established places of business, each vehicle dealer, manufacturer, lessor, rebuilder and ~~[each]~~ broker shall permanently affix a sign containing the name of his business in lettering of sufficient size to be clearly legible from the center of the nearest street or roadway, except that the lettering must be at least 8 inches high and formed by lines that are at least 1-inch wide.

2. Upon approval of the Director, and in accordance with all other city and county ordinances, a vehicle dealer or a long-term or short-term lessor may be exempted from the requirements of subsection 1 if:

(a) His established place of business or branch location is located within the confines of another business;

(b) The other place of business is the primary business at that location; and

(c) The primary business is not licensed pursuant to any provision of this chapter.

Sec. 24. NRS 482.3331 is hereby amended to read as follows:

482.3331 The Director shall, before renewing any license issued pursuant to NRS 482.333, consider ~~[the]~~ :

1. The number and types of complaints ~~[, if any,]~~ received against a ~~[licensed]~~ broker by the Department ~~[:]~~ ; and

2. Any administrative fines imposed upon the broker by the Department pursuant to NRS 482.554 and 482.565,



↪ and may require the broker to provide a good and sufficient bond in the amount set forth in subsection 1 of NRS 482.345 for each category of vehicle for which services are provided at each place of business and in each county in which the broker is licensed to do business.

Sec. 25. 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]~~ *\$100,000* 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.

2. 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.]~~ *allow a broker who provides services for more than one category of vehicle described in subsection 1 of NRS 482.345 at a principal place of business or at any branch location within the same county as the principal place of business to provide a good and sufficient bond for a single category of vehicle and may consider that single bond sufficient coverage to include all other categories of vehicles.*

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.

~~[3.]~~ 4. The undertaking on the bond includes any breach of a consumer contract, deceptive trade practice, fraud, 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.]~~ 5. 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.]~~ *apply to the Director, for good cause shown, for compensation from the bond. The surety issuing the bond shall appoint the Secretary of State as its agent to accept service of notice or process for the surety in any action upon the bond brought in a court of competent jurisdiction or brought before the Director.*



6. *If a person is injured by the actions of a broker or his employee, the person may:*

(a) Bring and maintain an action in any court of competent jurisdiction. If the court enters:

(1) A judgment on the merits against the broker or his employee, the judgment is binding on the surety.

(2) A judgment other than on the merits against the broker or his employee, including, without limitation, a default judgment, the judgment is binding on the surety only if the surety was given notice and an opportunity to defend at least 20 days before the date on which the judgment was entered against the broker or his employee.

(b) Apply to the Director, for good cause shown, 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.

(c) Settle the matter with the broker or his employee. If such a settlement is made, the settlement must be reduced to writing, signed by both parties and acknowledged before any person authorized to take acknowledgments in this State, and submitted to the Director with a request for compensation from the bond. If the Director determines that the settlement was reached in good faith and there is no evidence of collusion or fraud between the parties in reaching the settlement, the surety shall make the payment to the injured person in the amount agreed upon in the settlement.

7. *Any judgment entered by a court against a broker or his employee may be executed through a writ of attachment, garnishment, execution or other legal process, or the person in whose favor the judgment was entered may apply to the Director for compensation from the bond of the broker or his employee.*

Sec. 26. NRS 482.3335 is hereby amended to read as follows:

482.3335 **1.** No broker may intentionally cause to be published, displayed or circulated any advertisement, including any listing in a telephone directory, in which he is represented to be any type of vehicle dealer, unless he has obtained the appropriate license from the Department as provided in this chapter.

2. *A broker may not display, or use in conjunction with any form of advertisement, a vehicle he is not licensed to sell.*

Sec. 27. NRS 482.345 is hereby amended to read as follows:

482.345 **1.** ~~[Except as otherwise provided in subsection 8, before]~~ **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 *or any employee who acts on his behalf within the scope of his employment* 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} The bond must be:*

(a) *For 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.]~~ *motorcycles, \$50,000.*

(b) *For a manufacturer, distributor, rebuilder or dealer who sells vehicles other than motorcycles, trailers or travel trailers, \$100,000.*

(c) *For a manufacturer, distributor, rebuilder or dealer who sells travel trailers or other dual purpose trailers that include living quarters in their design, \$100,000.*

(d) *For a manufacturer, distributor, rebuilder or dealer who sells horse trailers designed without living quarters or special purpose trailers with an unladen weight of 3,501 pounds or more, \$50,000.*

(e) *For a manufacturer, distributor, rebuilder or dealer who sells utility trailers or other special use trailers with an unladen weight of 3,500 pounds or less or trailers designed to carry boats, \$10,000.*

2. *The Department may, pursuant to a written agreement with any manufacturer, distributor, rebuilder or dealer who has*



been licensed to do business in this State for at least 5 years, allow a reduction in the amount of the bond of the manufacturer, distributor, rebuilder or dealer, if his business has been conducted in a manner satisfactory to the Department for the preceding 5 years. No bond may be reduced to less than 50 percent of the bond required pursuant to subsection 1.

3. The Department may allow a manufacturer, distributor, rebuilder or dealer who sells more than one category of vehicle as described in subsection 1 at a principal place of business or at any branch location within the same county as the principal place of business to provide a good and sufficient bond for a single category of vehicle and may consider that single bond sufficient coverage to include all other categories of vehicles.

~~[3.]~~ 4. 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.

~~[4.]~~ 5. The undertaking on the bond includes any breach of a consumer contract, deceptive trade practice, 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.]~~ 6. 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 surety issuing the bond shall appoint the Secretary of State as its agent to accept service of notice or process for the surety in any action upon the bond brought in a court of competent jurisdiction or brought before the Director.

~~[6.]~~ 7. If a person is injured by the actions of a dealer, distributor, rebuilder, manufacturer, representative or salesman, the person may:

(a) Bring and maintain an action in any court of competent jurisdiction. If the court enters:

(1) A judgment on the merits against the dealer, distributor, rebuilder, manufacturer, representative or salesman, the judgment is binding on the surety.

(2) A judgment other than on the merits against the dealer, distributor, rebuilder, manufacturer, representative or salesman, including, without limitation, a default judgment, the judgment is binding on the surety only if the surety was given notice and an



opportunity to defend at least 20 days before the date on which the judgment was entered against the dealer, distributor, rebuilder, manufacturer, representative or salesman.

(b) 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.

(c) Settle the matter with the dealer, distributor, rebuilder, manufacturer, representative or salesman. If such a settlement is made, the settlement must be reduced to writing, signed by both parties and acknowledged before any person authorized to take acknowledgments in this State, and submitted to the Director with a request for compensation from the bond. If ~~[, after notice and opportunity for a hearing,]~~ the Director determines that the settlement was reached in good faith and there is no evidence of collusion or fraud between the parties in reaching the settlement, the surety shall make the payment to the injured person in the amount agreed upon in the settlement.

~~[7.]~~ 8. Any judgment entered by a court against a dealer, distributor, rebuilder, manufacturer, representative or salesman may be executed through a writ of attachment, garnishment, execution or other legal process, or the person in whose favor the judgment was entered may apply to the Director for compensation from the bond of the dealer, distributor, rebuilder, manufacturer, representative or salesman.

~~[8.]~~ 9. The ~~[provisions of this section do not apply to a manufacturer without an established place of business in this State.]~~ *Department shall not issue a license or plate pursuant to subsection 1 to a manufacturer, distributor, rebuilder or dealer who does not have and maintain an established place of business in this State.*

Sec. 28. NRS 482.350 is hereby amended to read as follows:

482.350 1. A new vehicle dealer's license shall not be furnished to any dealer in new vehicles, trailers or semitrailers unless the dealer first furnishes the Department an instrument executed by or on behalf of the manufacturer certifying that he is an authorized franchised dealer for the make or makes of vehicle concerned. New vehicle dealers are authorized to sell at retail only those new vehicles for which they are certified as franchised dealers by the manufacturer.

2. In addition to selling used vehicles, a used vehicle dealer may:



(a) Sell at wholesale a new vehicle ~~[to a new or used]~~ *taken in trade or acquired as a result of a sales contract to a new vehicle dealer ~~[; and]~~ who is licensed and authorized to sell that make of vehicle;*

(b) *Sell at wholesale a new vehicle through a wholesale vehicle auction provided that the wholesale vehicle auctioneer:*

(1) Does not take an ownership interest in the vehicle; and

(2) Auctions the vehicle to a vehicle dealer who is licensed and authorized to sell that make of vehicle or to an automobile wrecker who is licensed in this State or any other state; or

(c) Sell a new vehicle on consignment from a person not licensed as a vehicle dealer ~~[;]~~ *, rebuilder or a long-term or short-term lessor.*

Sec. 29. NRS 482.352 is hereby amended to read as follows:

482.352 1. The Department may deny the issuance of, suspend or revoke a license to engage in the activities of a manufacturer, distributor, rebuilder or dealer in new or used vehicles or to engage in the leasing of vehicles *in this State* upon any of the following grounds:

(a) Failure of the applicant to have an established place of business in this State.

(b) Conviction of a felony in the State of Nevada or any other state, territory or nation.

(c) Material misstatement in the application.

(d) Evidence of unfitness of the applicant or licensee.

(e) Willful failure to comply with any of the provisions of the motor vehicle laws of the State of Nevada or the directives of the Director. For the purpose of this paragraph, failure to comply with the directives of the Director advising the licensee of his noncompliance with any provision of the motor vehicle laws of this State or regulations of the Department, within 10 days after receipt of the directive, is prima facie evidence of willful failure to comply with the directive.

(f) Failure or refusal to furnish and keep in force any bond.

(g) Failure on the part of the licensee to maintain a fixed place of business in this State.

(h) Failure or refusal by a licensee to pay or otherwise discharge any final judgment against the licensee rendered and entered against him, arising out of the misrepresentation of any vehicle, trailer or semitrailer, or out of any fraud committed in connection with the sale of any vehicle, trailer or semitrailer.

(i) Failure of the licensee to maintain any other license or bond required by any political subdivision of this State.



(j) Allowing an unlicensed salesman to sell or lease any vehicle ~~or to act in the capacity of a salesman as defined in this chapter.~~

(k) Failure or refusal to provide to the Department an authorization for the disclosure of financial records for the business as required pursuant to subsection 3.

(l) Engaging in a deceptive trade practice relating to the purchase and sale or lease of a vehicle.

2. The Director may deny the issuance of a license to an applicant or revoke a license already issued if the Department is satisfied that the applicant or licensee is not entitled thereto.

3. Upon the receipt of any report or complaint alleging that an applicant or a licensee has engaged in financial misconduct or has failed to satisfy financial obligations related to the activities of a manufacturer, distributor, dealer or rebuilder, the Department may require the applicant or licensee to submit to the Department an authorization for the disclosure of financial records for the business as provided in NRS 239A.090. The Department may use any information obtained pursuant to the authorization only to determine the suitability of the applicant or licensee for initial or continued licensure. Information obtained pursuant to the authorization may be disclosed only to those employees of the Department who are authorized to issue a license to an applicant pursuant to NRS 482.318 to 482.363105, inclusive, or to determine the suitability of an applicant or a licensee for such licensure.

4. The Department may adopt regulations establishing additional criteria that may be used to deny, suspend, revoke or refuse to renew a license issued pursuant to this chapter.

Sec. 30. NRS 482.353 is hereby amended to read as follows:

482.353 1. ~~The~~ *Except as otherwise provided in subsection 5, an* applicant or licensee may, within 30 days after receipt of the notice of denial, suspension or revocation, petition the Director in writing for a hearing.

2. Subject to the further requirements of subsection 3, the Director shall make written findings of fact and conclusions and grant or finally deny the application or revoke the license within 15 days after the hearing unless by interim order he extends the time to 30 days after the hearing. If the license has been temporarily suspended, the suspension expires ~~no~~ *not* later than 15 days after the hearing.

3. If the Director finds that the action is necessary in the public interest, upon notice to the licensee, he may temporarily suspend or refuse to renew the license certificate issued to a manufacturer, distributor, dealer, lessor, *broker* or rebuilder and the special plates



issued to a manufacturer, distributor, lessor, rebuilder , *broker* or dealer for a period not to exceed 30 days. A hearing must be held, and a final decision rendered , within 30 days after notice of the temporary suspension.

4. The Director may issue subpoenas for the attendance of witnesses and the production of evidence.

5. The provisions of this section do not apply to an applicant for a temporary permit to engage in the activity of a salesman.

Sec. 31. NRS 482.362 is hereby amended to read as follows:

482.362 1. A person shall not engage in the activity of a salesman of vehicles, trailers or semitrailers , *or act in the capacity of a salesman as defined in this chapter*, in the State of Nevada without first having received a license *or temporary permit* from the Department. Before issuing a license *or temporary permit* to engage in the activity of a salesman, the Department shall require:

(a) An application, signed and verified by the applicant, stating that the applicant is to engage in the activity of a salesman, his residence address, his social security number and the name and address of his employer.

(b) Proof of the employment of the applicant by a licensed and bonded vehicle dealer, trailer or semitrailer dealer, lessor or rebuilder at the time the application is filed.

(c) A statement as to whether any previous application of the applicant has been denied or license revoked.

(d) Payment of a nonrefundable license fee of \$75. The license expires on December 31 of each calendar year and may be renewed annually upon the payment of a fee of \$40.

(e) For initial licensure, the applicant to submit a complete set of his fingerprints and written permission authorizing the Department to forward those fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

(f) Any other information the Department deems necessary.

2. The Department may issue a 60-day temporary ~~license~~ *permit* to an applicant who has submitted an application and paid the required fee.

3. A license to act as a salesman of vehicles, trailers or semitrailers , *or to act in the capacity of a salesman as defined in this chapter*, issued pursuant to this chapter does not permit a person to engage in the business of selling mobile homes.

4. An application for a salesman's license may be denied and a salesman's license may be suspended or revoked upon the following grounds:



(a) Failure of the applicant to establish by proof satisfactory to the Department that he is employed by a licensed and bonded vehicle dealer, trailer dealer or semitrailer dealer, lessor or rebuilder.

(b) Conviction of a felony.

(c) Conviction of a gross misdemeanor.

(d) Conviction of a misdemeanor for violation of any of the provisions of this chapter.

(e) Falsification of the application.

(f) *Evidence of unfitness as described in NRS 482.3255.*

(g) *Failure of the applicant to provide any information deemed necessary by the Department to process the application.*

(h) Any reason determined by the Director to be in the best interests of the public.

5. ~~[A]~~ *Except where a dealer, lessor or rebuilder has multiple branches licensed under NRS 482.326, a salesman of vehicles shall not engage in any sales activity , or act in any other capacity as a salesman as defined in this chapter, other than for the account of or for and in behalf of a single employer, at a specified place of business of that employer, who must be a licensed dealer, lessor or rebuilder.*

6. If an application for a salesman's license has been denied, the applicant may reapply not less than 6 months after the denial.

7. A salesman's license must be posted in a conspicuous place on the premises of the dealer, lessor or rebuilder for whom the salesman is licensed to sell vehicles.

8. If a *licensed* salesman ceases to be employed by a licensed and bonded dealer, lessor or rebuilder, his license to act as a salesman is automatically suspended and his right to act as a salesman thereupon immediately ceases, and he shall not engage in the activity of a salesman until he has paid the Department a transfer fee of \$20 and submitted a certificate of employment indicating he has been reemployed by a licensed and bonded dealer, lessor or rebuilder, and has thereafter presented a current temporary ~~license~~ *permit* or a new salesman's license to his employer.

9. If a licensed salesman changes his residential address, he shall submit a written notice of the change to the Department within 10 days after the change occurs.

10. *If a person who holds a temporary permit to act as a salesman ceases to be employed by a licensed and bonded dealer, lessor or rebuilder, his permit to act as a salesman is automatically suspended, his right to act as a salesman thereupon immediately ceases and his application for licensure must be denied unless he has paid the Department a transfer fee of \$20 and submitted a certificate of employment indicating he has been reemployed by a*



licensed and bonded dealer, lessor or rebuilder, and has thereafter presented a current temporary permit or a new salesman's license to his employer.

11. A licensed dealer, lessor or rebuilder who employs a licensed salesman shall notify the Department of the termination of his employment within 10 days following the date of termination by forwarding the salesman's license to the Department.

~~11.1~~ 12. Any person who fails to comply with the provisions of this section is guilty of a misdemeanor except as otherwise provided in NRS 482.555.

Sec. 32. NRS 482.362 is hereby amended to read as follows:

482.362 1. A person shall not engage in the activity of a salesman of vehicles, trailers or semitrailers *, or act in the capacity of a salesman as defined by this chapter,* in the State of Nevada without first having received a license *or temporary permit* from the Department. Before issuing a license *or temporary permit* to engage in the activity of a salesman, the Department shall require:

(a) An application, signed and verified by the applicant, stating that the applicant is to engage in the activity of a salesman, his residence address, and the name and address of his employer.

(b) Proof of the employment of the applicant by a licensed and bonded vehicle dealer, trailer or semitrailer dealer, lessor or rebuilder at the time the application is filed.

(c) A statement as to whether any previous application of the applicant has been denied or license revoked.

(d) Payment of a nonrefundable license fee of \$75. The license expires on December 31 of each calendar year and may be renewed annually upon the payment of a fee of \$40.

(e) For initial licensure, the applicant to submit a complete set of his fingerprints and written permission authorizing the Department to forward those fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

(f) Any other information the Department deems necessary.

2. The Department may issue a 60-day temporary ~~license~~ *permit* to an applicant who has submitted an application and paid the required fee.

3. A license to act as a salesman of vehicles, trailers or semitrailers *, or to act in the capacity of a salesman as defined in this chapter,* issued pursuant to this chapter does not permit a person to engage in the business of selling mobile homes.

4. An application for a salesman's license may be denied and a salesman's license may be suspended or revoked upon the following grounds:



(a) Failure of the applicant to establish by proof satisfactory to the Department that he is employed by a licensed and bonded vehicle dealer, trailer dealer or semitrailer dealer, lessor or rebuilder.

(b) Conviction of a felony.

(c) Conviction of a gross misdemeanor.

(d) Conviction of a misdemeanor for violation of any of the provisions of this chapter.

(e) Falsification of the application.

(f) *Evidence of unfitness as described in NRS 482.3255.*

(g) *Failure of the applicant to provide any information deemed necessary by the Department to process the application.*

(h) Any reason determined by the Director to be in the best interests of the public.

5. ~~[A]~~ *Except where a dealer, lessor or rebuilder has multiple branches licensed under NRS 482.326, a salesman of vehicles shall not engage in any sales activity , or act in any other capacity as a salesman as defined in this chapter, other than for the account of or for and in behalf of a single employer, at a specified place of business of that employer, who must be a licensed dealer, lessor or rebuilder.*

6. If an application for a salesman's license has been denied, the applicant may reapply not less than 6 months after the denial.

7. A salesman's license must be posted in a conspicuous place on the premises of the dealer, lessor or rebuilder for whom the salesman is licensed to sell vehicles.

8. If a *licensed* salesman ceases to be employed by a licensed and bonded dealer, lessor or rebuilder, his license to act as a salesman is automatically suspended and his right to act as a salesman thereupon immediately ceases, and he shall not engage in the activity of a salesman until he has paid the Department a transfer fee of \$20 and submitted a certificate of employment indicating he has been reemployed by a licensed and bonded dealer, lessor or rebuilder, and has thereafter presented a current temporary ~~license~~ *permit* or a new salesman's license to his employer.

9. If a licensed salesman changes his residential address, he shall submit a written notice of the change to the Department within 10 days.

10. *If a person who holds a temporary permit to act as a salesman ceases to be employed by a licensed and bonded dealer, lessor or rebuilder, his permit to act as a salesman is automatically suspended, his right to act as a salesman thereupon immediately ceases and his application for licensure must be denied unless he has paid the Department a transfer fee of \$20 and submitted a certificate of employment indicating he has been reemployed by a*



licensed and bonded dealer, lessor or rebuilder, and has thereafter presented a current temporary permit or a new salesman's license to his employer.

11. A licensed dealer, lessor or rebuilder who employs a licensed salesman shall notify the Department of the termination of his employment within 10 days following the date of termination by forwarding the salesman's license to the Department.

~~11.1~~ 12. Any person who fails to comply with the provisions of this section is guilty of a misdemeanor except as otherwise provided in NRS 482.555.

Sec. 33. NRS 482.423 is hereby amended to read as follows:

482.423 1. When a new vehicle is sold in this State for the first time, the seller shall complete and execute a manufacturer's certificate of origin or a manufacturer's statement of origin and, unless the vehicle is sold to a *dealer who is* licensed ~~[dealer,]~~ *to sell the vehicle*, a dealer's report of sale. The dealer's report of sale must be in a form prescribed by the Department and must include:

- (a) A description of the vehicle;
- (b) The name and address of the seller; and
- (c) The name and address of the buyer.

2. If, in connection with the sale, a security interest is taken or retained by the seller to secure all or part of the purchase price, or a security interest is taken by a person who gives value to enable the buyer to acquire rights in the vehicle, the name and address of the secured party or his assignee must be entered on the dealer's report of sale and on the manufacturer's certificate or statement of origin.

3. Unless an extension of time is granted by the Department, the seller shall:

- (a) Collect the fees set forth in NRS 482.429 for:

- (1) A certificate of title for a vehicle registered in this State; and

- (2) The processing of the dealer's report of sale; and

- (b) Within 20 days after the execution of the dealer's report of sale:

- (1) Submit to the Department the original of the dealer's report of sale and the manufacturer's certificate or statement of origin; and

- (2) Remit to the Department the fees collected pursuant to paragraph (a).

4. Upon entering into a contract *or other written agreement* for the sale of a new vehicle, the seller shall affix a temporary placard to the rear of the vehicle. Only one temporary placard may be issued for the vehicle. The temporary placard must:

- (a) Be in a form prescribed by the Department;



(b) Be made of a material appropriate for use on the exterior of a vehicle;

(c) Be free from foreign materials and clearly visible from the rear of the vehicle; and

(d) Include the date of its expiration.

5. Compliance with the requirements of subsection 4 permits the vehicle to be operated for a period not to exceed 30 days after the execution of *a written agreement to purchase or the contract of sale, whichever occurs first*. Upon the issuance of the certificate of registration and license plates for the vehicle or the expiration of the temporary placard, whichever occurs first, the buyer shall remove the temporary placard from the rear of the vehicle.

6. For the purposes of establishing compliance with the period required by paragraph (b) of subsection 3, the Department shall use the date imprinted or otherwise indicated on the dealer's report of sale as the beginning date of the 20-day period.

7. Upon execution of all ~~required~~ *the* documents *necessary* to complete the sale of a vehicle, *including, without limitation, the financial documents*, the dealer shall execute the dealer's report of sale and furnish a copy of the report to the buyer not less than 10 days before the expiration of the temporary placard.

8. The provisions of this section do not apply to kit trailers.

Sec. 34. NRS 482.4235 is hereby amended to read as follows:

482.4235 1. If a new vehicle is leased in this State by a long-term lessor, the long-term lessor shall complete and execute a manufacturer's certificate of origin or a manufacturer's statement of origin, and a long-term lessor's report of lease. Such a report must be in a form prescribed by the Department and must include:

(a) A description of the vehicle; and

(b) The names and addresses of the long-term lessor, long-term lessee and any person having a security interest in the vehicle.

2. Unless an extension of time is granted by the Department, the long-term lessor shall, within 20 days after the execution of the long-term lessor's report of lease:

(a) Submit to the Department the original of the long-term lessor's report of lease and the manufacturer's certificate of origin or manufacturer's statement of origin; and

(b) Collect and remit to the Department the fee set forth in NRS 482.429 for the processing of the long-term lessor's report of lease.

3. Upon entering into a lease *or written agreement to lease* for a new vehicle, the ~~seller~~ *long-term lessor* shall affix a temporary placard to the rear of the vehicle. Only one temporary placard may be issued for the vehicle. The temporary placard must:

(a) Be in a form prescribed by the Department;



(b) Be made of a material appropriate for use on the exterior of a vehicle;

(c) Be free from foreign materials and clearly visible from the rear of the vehicle; and

(d) Include the date of its expiration.

4. Compliance with the requirements of subsection 3 permits the vehicle to be operated for a period not to exceed 30 days after the execution of *a written agreement to lease or* the lease ~~H~~, *whichever occurs first*. Upon issuance of the certificate of registration and license plates for the vehicle or the expiration of the temporary placard, whichever occurs first, the long-term lessee shall remove the temporary placard from the rear of the vehicle.

5. For the purposes of establishing compliance with the period required by subsection 2, the Department shall use the date imprinted or otherwise indicated on the long-term lessor's report of lease as the beginning date of the 20-day period.

6. Upon executing all *the* documents necessary to complete the lease of the vehicle, *including, without limitation, the financial documents*, the long-term lessor shall execute the long-term lessor's report of lease and furnish a copy of the report to the long-term lessee not less than 10 days before the expiration of the temporary placard.

Sec. 35. NRS 482.424 is hereby amended to read as follows:

482.424 1. When a used or rebuilt vehicle is sold in this State to any person, except a licensed dealer, by a dealer, rebuilder, long-term lessor or short-term lessor, the seller shall complete and execute a dealer's or rebuilder's report of sale. The dealer's or rebuilder's report of sale must be in a form prescribed by the Department and must include:

(a) A description of the vehicle, including whether it is a rebuilt vehicle;

(b) The name and address of the seller; and

(c) The name and address of the buyer.

2. If a security interest exists at the time of the sale, or if in connection with the sale a security interest is taken or retained by the seller to secure all or part of the purchase price, or a security interest is taken by a person who gives value to enable the buyer to acquire rights in the vehicle, the name and address of the secured party must be entered on the dealer's or rebuilder's report of sale.

3. Unless an extension of time is granted by the Department, the seller shall:

(a) Collect the fees set forth in NRS 482.429 for:

(1) A certificate of title for a vehicle registered in this State; and



(2) The processing of the dealer's or rebuilder's report of sale; and

(b) Within 30 days after the execution of the dealer's or rebuilder's report of sale:

(1) Submit to the Department the original of the dealer's or rebuilder's report of sale and the properly endorsed certificate of title previously issued for the vehicle; and

(2) Remit to the Department the fees collected pursuant to paragraph (a).

4. Upon entering into a contract *or other written agreement* for the sale of a used or rebuilt vehicle, the seller shall affix a temporary placard to the rear of the vehicle. Only one temporary placard may be issued for the vehicle. The temporary placard must:

(a) Be in a form prescribed by the Department;

(b) Be made of a material appropriate for use on the exterior of a vehicle;

(c) Be free from foreign materials and clearly visible from the rear of the vehicle; and

(d) Include the date of its expiration.

5. Compliance with the requirements of subsection 4 permits the vehicle to be operated for not more than 30 days after the execution of *a written agreement to purchase or the contract of sale, whichever occurs first*. Upon the issuance of the certificate of registration and license plates for the vehicle or the expiration of the temporary placard, whichever occurs first, the buyer shall remove the temporary placard from the rear of the vehicle.

6. To establish compliance with the period required by paragraph (b) of subsection 3, the Department shall use the date imprinted or otherwise indicated on the dealer's or rebuilder's report of sale as the beginning date of the 30-day period.

7. Upon executing all *the* documents necessary to complete the sale of the vehicle, *including, without limitation, the financial documents*, the seller shall execute the dealer's or rebuilder's report of sale and furnish a copy of the report to the buyer not less than 10 days before the expiration of the temporary placard.

Sec. 36. NRS 482.4245 is hereby amended to read as follows:

482.4245 1. If a used or rebuilt vehicle is leased in this State by a long-term lessor, the long-term lessor shall complete and execute a long-term lessor's report of lease. Such a report must be in a form prescribed by the Department and must include:

(a) A description of the vehicle;

(b) An indication as to whether the vehicle is a rebuilt vehicle; and



(c) The names and addresses of the long-term lessor, long-term lessee and any person having a security interest in the vehicle.

2. Unless an extension of time is granted by the Department, the long-term lessor shall, within 30 days after the execution of the long-term lessor's report of lease:

(a) Submit to the Department the original of the long-term lessor's report of lease and the properly endorsed certificate of title previously issued for the vehicle; and

(b) Collect and remit to the Department the fee set forth in NRS 482.429 for the processing of the long-term lessor's report of lease.

3. Upon entering into a lease *or written agreement to lease* for a used or rebuilt vehicle, the ~~[seller]~~ *long-term lessor* shall affix a temporary placard to the rear of the vehicle. Only one temporary placard may be issued for the vehicle. The temporary placard must:

(a) Be in a form prescribed by the Department;

(b) Be made of a material appropriate for use on the exterior of a vehicle;

(c) Be free from foreign materials and clearly visible from the rear of the vehicle; and

(d) Include the date of its expiration.

4. Compliance with the requirements of subsection 3 permits the vehicle to be operated for a period not to exceed 30 days after the execution of *a written agreement to lease or* the lease ~~[H]~~ , *whichever comes first*. Upon issuance of the certificate of registration and license plates for the vehicle or the expiration of the temporary placard, whichever occurs first, the long-term lessee shall remove the temporary placard from the rear of the vehicle.

5. To establish compliance with the period required by subsection 2, the Department shall use the date imprinted or otherwise indicated on the long-term lessor's report of lease as the beginning date of the 30-day period.

6. Upon executing all *the* documents necessary to complete the lease of the vehicle, *including, without limitation, the financial documents*, the long-term lessor shall execute the long-term lessor's report of lease and furnish a copy of the report to the long-term lessee not less than 10 days before the expiration of the temporary placard.

Sec. 37. NRS 482.436 is hereby amended to read as follows:

482.436 Any person is guilty of a gross misdemeanor who knowingly:

1. Makes *or causes to be made* any false entry on any certificate of origin or certificate of title;

2. Furnishes *or causes to be furnished* false information to the Department concerning any security interest; or



3. Fails to submit *or causes to not be submitted* the original of the dealer's or ~~rebuilder's~~ *long-term lessor's* report of sale ~~of~~ *or lease, together with the certificate of title or certificate of ownership issued for* a used ~~or rebuilt~~ vehicle to the Department within the time prescribed in subsection 3 of NRS 482.424 ~~or, if a leased vehicle, subsection 2 of NRS 482.4235.~~

Sec. 38. NRS 482.516 is hereby amended to read as follows:

482.516 1. Any provision in any security agreement for the sale *or lease* of a vehicle to the contrary notwithstanding, at least 10 days' written notice of intent to sell *or again lease* a repossessed vehicle must be given to all persons liable on the security agreement. The notice must be given in person or sent by mail directed to the address of the persons shown on the security agreement, unless such persons have notified the holder in writing of a different address.

2. The notice:

(a) Must set forth that there is a right to redeem the vehicle and the total amount required as of the date of the notice to redeem;

(b) May inform such persons of their privilege of reinstatement of the security agreement, if the holder extends such a privilege;

(c) Must give notice of the holder's intent to resell *or again lease* the vehicle at the expiration of 10 days from the date of giving or mailing the notice;

(d) Must disclose the place at which the vehicle will be returned to the buyer *or lessee* upon redemption or reinstatement; and

(e) Must designate the name and address of the person to whom payment must be made.

3. During the period provided under the notice, the person or persons liable on the security agreement may pay in full the indebtedness evidenced by the security agreement. Such persons are liable for any deficiency after sale *or lease* of the repossessed vehicle only if the notice prescribed by this section is given within 60 days after repossession and includes an itemization of the balance and of any costs or fees for delinquency, collection or repossession. In addition, the notice must either set forth the computation or estimate of the amount of any credit for unearned finance charges or cancelled insurance as of the date of the notice or state that such a credit may be available against the amount due.

Sec. 39. 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, *temporary placard, movement permit* 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, ~~for~~ plate, *temporary placard or movement permit* 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

(b) Contains a part which has an altered identification number or mark.

Sec. 40. NRS 482.555 is hereby amended to read as follows:

482.555 In addition to any other penalty provided by this chapter:

1. It is a gross misdemeanor for any person knowingly to falsify:

(a) A dealer's or rebuilder's report of sale, as described in NRS 482.423 and 482.424; ~~for~~

(b) An application or document to obtain any ~~for~~

~~(1) License;~~

~~(2) Permit; or~~

~~(3) Certificate of title;~~

license, permit, certificate of title or vehicle registration issued under the provisions of this chapter ~~for~~; or

(c) An application or document to obtain a salvage title or nonrepairable vehicle certificate as defined in chapter 487 of NRS.

2. It is a misdemeanor for any person to violate any of the provisions of this chapter unless such violation is by this section or



other provision of this chapter or other law of this State declared to be a gross misdemeanor or a felony.

Sec. 41. Chapter 483 of NRS is hereby amended by adding thereto the provisions set forth as sections 42 and 43 of this act.

Sec. 42. *1. A school for training drivers or a third-party certifier provided for by regulation shall ensure that each vehicle used for training drivers and operated on a highway is inspected annually.*

2. The school for training drivers or the third-party certifier shall provide to the Department, within 30 days of the inspection or by December 31 of each calendar year, whichever comes first, the results of the inspection regarding the safety and road worthiness of the vehicles inspected pursuant to subsection 1.

3. The Department shall adopt regulations setting forth:

- (a) The persons qualified to conduct the inspection; and*
- (b) The standards with which the inspection must comply.*

4. The owner of the school for training drivers or the third-party certifier shall maintain a copy of the inspection at his principal place of business for 3 years after the inspection is completed.

Sec. 43. *1. The Department may impose an administrative fine, not to exceed \$2,500, for a violation of any provision of NRS 483.700 to 483.780, inclusive, and section 42 of this act, or any rule, regulation or order adopted or issued pursuant thereto. The Department shall afford to any person so fined an opportunity for a hearing pursuant to the provisions of NRS 233B.121.*

2. All administrative fines collected by the Department pursuant to subsection 1 must be deposited with the State Treasurer to the credit of the State Highway Fund.

3. In addition to any other remedy provided by NRS 483.700 to 483.780, inclusive, and section 42 of this act, the Department may compel compliance with any provision of NRS 483.700 to 483.780, inclusive, and section 42 of this act, and any rule, regulation or order adopted or issued pursuant thereto, by injunction or other appropriate remedy and the Department may institute and maintain in the name of the State of Nevada any such enforcement proceedings.

Sec. 44. NRS 483.730 is hereby amended to read as follows:

483.730 1. The Department shall issue a license to operate a school for training drivers or to act as an instructor for such a school, if the Department is satisfied that the applicant has met the qualifications required by NRS 483.700 to 483.780, inclusive §, and sections 42 and 43 of this act.



2. The license is valid for ~~[5 years]~~ *1 year* after the date of issuance, unless cancelled, suspended or revoked by the Department and, except as otherwise provided in subsection 3, may be renewed subject to the same conditions as the original license, except that an operator of or instructor for a school for training drivers is not required to comply with the provisions of NRS 483.7205 for the renewal of his license.

3. Except as otherwise provided in subsection 4, the Department may renew the license of an instructor of a school for training drivers if, when he submits his application for the renewal of his license, he provides evidence satisfactory to the Department that, during the period of the license, he completed training of a type and in an amount prescribed by the Department by regulation.

4. The provisions of subsection 3 do not apply to an instructor who provides instruction solely to applicants for commercial drivers' licenses.

Sec. 45. NRS 484.6061 is hereby amended to read as follows:

484.6061 1. It is unlawful for any person to *display or* advertise for sale, to sell, to use, to install or to have installed any device which causes an odometer to register any mileage other than the true mileage driven.

2. For purposes of this section, the true mileage driven is that mileage traveled by the vehicle, as registered by the odometer, within the manufacturer's designed tolerance for such odometer.

Sec. 46. NRS 484.6063 is hereby amended to read as follows:

484.6063 It is unlawful for any person, with the intent to defraud, to operate *, or to cause or allow to be operated,* a motor vehicle on any highway of this State knowing that the odometer of such vehicle is disconnected or nonfunctional ~~[.]~~ *or has been altered to no longer reflect the true mileage driven.*

Sec. 47. NRS 484.6067 is hereby amended to read as follows:

484.6067 1. A person is guilty of a ~~[gross misdemeanor]~~ *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 6 years, or by a fine of not more than \$10,000, or by both fine and imprisonment,* if he knowingly sells a motor vehicle whose odometer has been altered for the purpose of fraud.

2. Except as *otherwise* provided in subsection 1, any person who violates the provisions of NRS 484.606 to 484.6069, inclusive, is guilty of a misdemeanor.

Sec. 48. NRS 484.6068 is hereby amended to read as follows:

484.6068 Any person who, with an intent to defraud, violates any requirement imposed by NRS 484.606 to 484.6069, inclusive, is



liable to the person harmed by such act or acts, in an amount equal to the sum of:

1. Three times the amount of actual damages sustained by the person harmed or ~~[\$1,500,]~~ \$2,500, whichever is greater; and

2. If the action of the person harmed is successful in enforcing the liability imposed by subsection 1, the costs of the action together with reasonable attorney's fees, as determined by the court.

Sec. 49. Chapter 487 of NRS is hereby amended by adding thereto the provisions set forth as sections 50, 51 and 52 of this act.

Sec. 50. *As used in NRS 487.050 to 487.200, inclusive, and sections 50, 51 and 52 of this act, unless the context otherwise requires, "automobile wrecker" or "wrecker" means a person who obtains a license to dismantle, scrap, process or wreck any vehicle, including, without limitation, wrecked, salvage, nonrepairable, abandoned and junk vehicles, which includes, without limitation, removing or selling an individual part or parts of such a vehicle or crushing, shredding or dismantling such a vehicle to be disposed of as scrap metal.*

Sec. 51. *Evidence of unfitness of an applicant, registrant or licensee for purposes of denial, suspension or revocation of or failure to renew a license or registration as an automobile wrecker, operator of a salvage pool, garageman or owner of a body shop may consist of, but is not limited to, the applicant, registrant or licensee:*

1. *Purchasing, selling, dismantling, disposing of or having in his possession any vehicle which he knows, or a reasonable person should know, is stolen or otherwise illegally appropriated.*

2. *Being the former holder of, or being a partner, officer, director, owner or manager involved in management decisions of, an automobile wrecker that held a license issued pursuant to this chapter which was revoked for cause and never reissued or was suspended upon terms which were never fulfilled.*

3. *Defrauding or attempting to defraud the State or a political subdivision of the State of any taxes or fees in connection with the sale or transfer of a vehicle.*

4. *Forging the signature of the registered or legal owner of an abandoned vehicle on any document that releases the interest of the owner in the abandoned vehicle.*

5. *Forging the signature of the registered or legal owner of a vehicle on a certificate of title or other document to obtain or transfer ownership in that vehicle.*

6. *Willfully failing to deliver to a purchaser a salvage title to a vehicle that the applicant, registrant or licensee has sold.*



7. *Refusing to allow any peace officer or agent of a state agency to inspect, during normal business hours, all books, records and files of the applicant, registrant or licensee which are maintained within the State.*

8. *Committing any fraud which includes, without limitation:*

(a) *Misrepresenting in any manner, whether intentional or grossly negligent, a material fact.*

(b) *Intentionally failing to disclose a material fact.*

9. *Willfully failing to comply with any regulation adopted by the Department.*

Sec. 52. 1. *Whenever an entire salvage vehicle is sold to any person by a licensed automobile wrecker, the automobile wrecker shall deliver a properly endorsed salvage title to the buyer for such an entire salvage vehicle.*

2. *A salvage vehicle shall be deemed an entire salvage vehicle:*

(a) *If all the following components are included and identifiable as coming from the same vehicle:*

- (1) *The cowl assembly;*
- (2) *The floor pan assembly;*
- (3) *The passenger compartment;*
- (4) *The rear clip assembly; and*
- (5) *The roof assembly; and*

(b) *In addition to the essential components required pursuant to paragraph (a):*

(1) *If the salvage vehicle was manufactured with a conventional frame, the conventional frame is included and identifiable as coming from the same salvage vehicle;*

(2) *If the salvage vehicle was manufactured with a unibody, the complete front inner structure is included and identifiable as coming from the same salvage vehicle;*

(3) *If the salvage vehicle is a truck which was manufactured with a conventional frame, the conventional frame and the truck cab assembly are included and identifiable as coming from the same salvage vehicle; and*

(4) *If the salvage vehicle is a truck which was manufactured with a unibody, the complete front inner structure and the truck cab assembly are included and identifiable as coming from the same salvage vehicle.*

3. *A salvage vehicle that does not satisfy the requirements of subsection 2 is deemed a part or parts of an entire salvage vehicle.*



Sec. 53. NRS 487.160 is hereby amended to read as follows:

487.160 1. The Department ~~[-after notice and hearing,]~~ may suspend, revoke or refuse to renew a license of an automobile wrecker upon determining that the automobile wrecker:

- (a) Is not lawfully entitled thereto;
- (b) Has made, or knowingly or negligently permitted, any illegal use of that license;
- (c) Has failed to return a salvage title to the state agency when and as required of him by NRS 487.710 to 487.890, inclusive; or
- (d) Has failed to surrender to the state agency certificates of title for vehicles before beginning to dismantle or wreck the vehicles.

2. The applicant or licensee may, within 30 days after receipt of the notice of refusal, suspension or revocation, petition the Department in writing for a hearing.

3. Hearings under this section and appeals therefrom must be conducted in the manner prescribed in NRS 482.353 and 482.354.

4. The Department may suspend, revoke or refuse to renew a license of an automobile wrecker, or *may* deny a license to an applicant therefor, *for any reason determined by the Director to be in the best interest of the public, or* if the licensee or applicant:

(a) Does not have or maintain an established place of business in this State.

(b) Made a material misstatement in any application.

(c) Willfully fails to comply with any applicable provision of this chapter.

(d) Fails to furnish and keep in force any bond required by NRS 487.050 to 487.200, inclusive.

(e) Fails to discharge any final judgment entered against him when the judgment arises out of any misrepresentation of a vehicle, trailer or semitrailer.

(f) Fails to maintain any license or bond required by a political subdivision of this State.

(g) Has been convicted of a felony.

(h) Has been convicted of a misdemeanor or gross misdemeanor for a violation of a provision of this chapter.

(i) Fails or refuses to provide to the Department an authorization for the disclosure of financial records for the business as required pursuant to subsection 7.

(j) Knowingly submits or causes to be submitted any false, forged or otherwise fraudulent document to the Department to obtain a lien, title, salvage title or certificate of ownership, or any duplicate thereof, for a vehicle.

(k) Knowingly causes or allows a false, forged or otherwise fraudulent document to be maintained as a record of his business.



(l) Interferes with or refuses to allow an agent of the Department or any peace officer access to and, upon demand, the opportunity to examine any record held in conjunction with the operation of the wrecker.

(m) Displays evidence of unfitness for a license pursuant to section 51 of this act.

5. If an application for a license as an automobile wrecker is denied, the applicant may not submit another application for at least 6 months after the date of the denial.

6. The Department may refuse to review a subsequent application for licensing submitted by any person who violates any provision of this chapter.

7. Upon the receipt of any report or complaint alleging that an applicant or a licensee has engaged in financial misconduct or has failed to satisfy any financial obligation related to the business of dismantling, scrapping, processing or wrecking of vehicles, the Department may require the applicant or licensee to submit to the Department an authorization for the disclosure of financial records for the business as provided in NRS 239A.090. The Department may use any information obtained pursuant to such an authorization only to determine the suitability of the applicant or licensee for initial or continued licensure. Information obtained pursuant to such an authorization may be disclosed only to those employees of the Department who are authorized to issue a license to an applicant pursuant to NRS 487.050 to 487.200, inclusive, *and sections 50, 51 and 52 of this act* or to determine the suitability of an applicant or a licensee for such licensure.

8. For the purposes of this section, failure to adhere to the directives of the state agency advising the licensee of his noncompliance with any provision of NRS 487.050 to 487.200, inclusive, *and sections 50, 51 and 52 of this act* or NRS 487.710 to 487.890, inclusive, or regulations of the state agency, within 10 days after the receipt of those directives, is prima facie evidence of willful failure to comply.

Sec. 54. NRS 487.170 is hereby amended to read as follows:

487.170 Every licensed automobile wrecker, rebuilder or scrap processor shall maintain a record of all vehicles *acquired and processed, junked, dismantled* ~~for wrecked, which contains the name and~~, *wrecked, sold as a part or parts or disposed of as scrap metal. The records must be open to inspection during business hours by any peace officer or investigator of the state agency. Every vehicle record must contain:*

1. The name, address and original signature of the person from whom the vehicle was ~~purchased or acquired and the date~~



~~thereof, the]~~ *acquired, until such time as the original signature is submitted to the Department, at which time the record must contain a duplicate of the signature;*

2. The date the vehicle was acquired;

3. How the vehicle was acquired by the wrecker, rebuilder or scrap processor;

4. The registration number last assigned to the vehicle ; and [a]

5. A brief description of the vehicle, including, insofar as the data may exist with respect to a given vehicle, the make, type, serial number and motor number, or any other number of the vehicle. [The record must be open to inspection during business hours by any peace officer or investigator of the state agency.]

Sec. 55. NRS 487.200 is hereby amended to read as follows:

487.200 Any person who violates any of the provisions of NRS 487.050 to 487.200, inclusive, *and sections 50, 51 and 52 of this act* is guilty of a misdemeanor.

Sec. 56. NRS 487.260 is hereby amended to read as follows:

487.260 1. If the vehicle is appraised at a value of more than \$500 , the state agency or political subdivision shall dispose of it as provided in NRS 487.270.

2. If the vehicle is appraised as a junk vehicle, the Department may issue a junk certificate to the automobile wrecker or tow operator who removed the vehicle.

3. An automobile wrecker who possesses a junk certificate for a junk vehicle may dismantle, scrap, crush or otherwise destroy the vehicle.

4. A vehicle for which a junk certificate has been issued may be sold to an automobile wrecker by the person to whom the junk certificate was issued by the seller's endorsement on the certificate. An automobile wrecker who purchases a vehicle for which a junk certificate has been issued *shall immediately affix the business name of the automobile wrecker as purchaser to the first available space provided on the reverse side of the certificate. For the purposes of this subsection, such an automobile wrecker is the owner of the junk vehicle.*

5. If insufficient space exists on the reverse side of a junk certificate to transfer the vehicle pursuant to subsection 4, an automobile wrecker who purchases a junk vehicle for which a junk certificate has been previously issued shall, within 10 days after purchase, apply to the Department for a new junk certificate and surrender the original certificate.

~~[5-]~~ **6.** A person who sells, dismantles, scraps, crushes or otherwise destroys a junk vehicle shall maintain, for at least 2 years, a copy of the junk certificate and a record of the name and address



of the person from whom the vehicle was acquired and the date thereof. He shall allow any peace officer or any investigator employed by a state agency to inspect the records during business hours.

~~[6-]~~ 7. As used in this section, “junk vehicle” means a vehicle, including component parts, which:

- (a) Has been discarded or abandoned;
- (b) Has been ruined, wrecked, dismantled or rendered inoperative;
- (c) Is unfit for further use in accordance with the original purpose for which it was constructed;
- (d) Is not registered with the Department or has not been reclaimed by the registered owner or a person having a security interest in the vehicle within 15 days after notification pursuant to NRS 487.250; and

(e) Has value principally as scrap which does not exceed \$200.

Sec. 57. NRS 487.490 is hereby amended to read as follows:

487.490 1. The Department may refuse to issue a license or ~~after notice and hearing,~~ may suspend, revoke or refuse to renew a license of an operator of a salvage pool upon determining that the operator:

- (a) Is not lawfully entitled to the license;
- (b) Has made, or knowingly or negligently permitted, any illegal use of that license;
- (c) Made a material misstatement in any application;
- (d) Willfully fails to comply with any provision of NRS 487.400 to 487.510, inclusive;
- (e) Fails to discharge any final judgment entered against him when the judgment arises out of any misrepresentation regarding a vehicle;
- (f) Fails to maintain any license or bond required by a political subdivision of this State;
- (g) Has been convicted of a felony;
- (h) Has been convicted of a misdemeanor or gross misdemeanor for a violation of a provision of this chapter; ~~or~~
- (i) Fails or refuses to provide to the Department an authorization for the disclosure of financial records for the business as required pursuant to subsection 6 ~~[4]~~; or

(j) Displays evidence of unfitness for a license pursuant to section 51 of this act.

2. The applicant or licensee may, within 30 days after receipt of the notice of refusal to grant or renew or the suspension or revocation of a license, petition the Department in writing for a hearing.



3. Hearings under this section and appeals therefrom must be conducted in the manner prescribed in NRS 482.353 and 482.354.

4. If an application for a license as an operator of a salvage pool is denied, the applicant may not submit another application for at least 6 months after the date of the denial.

5. The Department may refuse to review a subsequent application for licensing submitted by any person who violates any provision of NRS 487.400 to 487.510, inclusive.

6. Upon the receipt of any report or complaint that an applicant or a licensee has engaged in financial misconduct or has failed to satisfy financial obligations related to the operation of a salvage pool, the Department may require the applicant or licensee to submit to the Department an authorization for the disclosure of financial records for the business as provided in NRS 239A.090. The Department may use any information obtained pursuant to such an authorization only to determine the suitability of the applicant or licensee for initial or continued licensure. Information obtained pursuant to such an authorization may be disclosed only to those employees of the Department who are authorized to issue a license to an applicant pursuant to NRS 487.400 to 487.510, inclusive, or to determine the suitability of an applicant or a licensee for such licensure.

7. For the purposes of this section, the failure to adhere to the directives of the Department advising the licensee of his noncompliance with any provision of NRS 487.400 to 487.510, inclusive, or regulations of the Department, within 10 days after the receipt of those directives, is prima facie evidence of willful failure to comply.

Sec. 58. NRS 487.540 is hereby amended to read as follows:

487.540 1. "Garage" means a business establishment, sole proprietorship, firm, corporation, association or other legal entity that performs any of the following services on motor vehicles:

(a) Repair *or replacement* of the:

- (1) Engine;
- (2) Brake system;
- (3) Transmission system;
- (4) Drivetrain system;
- (5) Heating and air-conditioning system;
- (6) Cooling system; ~~for~~
- (7) Muffler and exhaust system;
- (8) Electrical system;*
- (9) Electrical charging system; or*
- (10) Fuel injection or carburetion system;*

(b) Engine tune up;



- (c) Diagnostic testing;
- (d) Alignment; or
- (e) Oil change and lubrication.

2. "Garage" does not include a business establishment, sole proprietorship, firm, corporation, association or other legal entity that does not perform services on motor vehicles for members of the general public.

Sec. 59. NRS 487.550 is hereby amended to read as follows:
487.550 "Motor vehicle" means:

- 1. A passenger car as defined in NRS 482.087;
- 2. A mini motor home as defined in NRS 482.066;
- 3. A motor home as defined in NRS 482.071;
- 4. A recreational vehicle as defined in NRS 482.101; ~~and~~
- 5. A motortruck as defined in NRS 482.073 if the gross weight of the vehicle is 10,000 pounds or less ~~and~~;

6. A motorcycle as defined in NRS 482.070; and

7. A trimobile as defined in NRS 482.129.

Sec. 60. NRS 487.563 is hereby amended to read as follows:

487.563 1. Each person who submits an application for registration pursuant to the provisions of NRS 487.560 must include in the application a written statement to the Department that specifies whether he agrees to submit to binding arbitration any claims against him arising out of a contract for repairs made by him to a motor vehicle. If the person fails to submit the statement to the Department or specifies in the statement that he does not agree to arbitrate those claims, the person shall file with the Department a bond in the amount of \$5,000, with a corporate surety for the bond that is licensed to do business in this State. The form of the bond must be approved by the Attorney General and be conditioned upon whether the applicant conducts his business as an owner or operator of a garage without fraud or fraudulent representation and in compliance with the provisions of NRS 487.035, 487.530 to 487.570, inclusive, and 597.480 to 597.590, inclusive.

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.

3. In lieu of a bond required to be filed pursuant to the provisions of subsection 1, a person may deposit with the Department, pursuant to the terms prescribed by the Department:

(a) A like amount of money or bonds of the United States or of the State of Nevada of an actual market value of not less than the amount fixed by the Department; or

(b) A savings certificate of a bank or savings and loan association located in this State, which must indicate an account of



an amount equal to the amount of the bond that would otherwise be required pursuant to this section and that the amount is unavailable for withdrawal except upon order of the Department. Interest earned on the certificate accrues to the account of the applicant.

4. If a claim is arbitrated pursuant to the provisions of this section, the proceedings for arbitration must be conducted in accordance with the provisions of NRS 38.206 to 38.248, inclusive.

5. If a person:

(a) Submits the statement to the Department specifying that he agrees to arbitrate a claim pursuant to the provisions of subsection 1; and

(b) Fails to submit to binding arbitration any claim specified in that subsection,

→ the person asserting the claim may notify the Department of that fact. Upon receipt of the notice, the Department shall, after notice and hearing, revoke or refuse to renew the certificate of registration of the person who failed to submit the claim to arbitration.

6. If a person fails to comply with an order of a court that relates to the repair of a motor vehicle, *or fails to pay or otherwise discharge any final judgment rendered and entered against him or any court order issued and arising out of the repair of a motor vehicle in the operation of a garage,* the Department shall ~~[, after notice and hearing,]~~ revoke or refuse to renew the certificate of registration of the person who failed to comply with the order ~~[.]~~ *or satisfy the judgment.*

7. The Department may reinstate or renew a certificate of registration that is:

(a) Revoked pursuant to the provisions of subsection 5 if the person whose certificate of registration is revoked:

(1) Submits the claim to arbitration pursuant to the provisions of subsection 4 and notifies the Department of that fact; or

(2) Files a bond or makes a deposit with the Department pursuant to the provisions of this section.

(b) Revoked pursuant to the provisions of subsection 6 if the person whose certificate of registration is revoked complies with the order of the court.

8. A garageman whose registration has been revoked pursuant to the provisions of subsection 6 shall furnish to the Department a bond in the amount specified in subsection 1 prior to reinstatement of his garage registration.

Sec. 61. NRS 487.564 is hereby amended to read as follows:

487.564 1. The Department may refuse to issue a registration or ~~[, after notice and hearing,]~~ may suspend, revoke or refuse to



renew a registration to operate a garage upon any of the following grounds:

(a) A false statement of a material fact in a certification for a salvage vehicle required pursuant to NRS 487.800.

(b) A false statement or certification for an inspection pursuant to NRS 487.800 which attests to the mechanical fitness or safety of a salvage vehicle.

(c) Evidence of unfitness of the applicant or registrant pursuant to section 51 of this act.

(d) A violation of any regulation adopted by the Department governing the operation of a garage.

(e) A violation of any statute or regulation that constitutes fraud in conjunction with the repair of a motor vehicle or operation of a garage.

2. A person for whom a certificate of registration has been suspended or revoked pursuant to the provisions of this section, subsection 6 of NRS 487.563 or similar provisions of the laws of any other state or territory of the United States shall not be employed by, or in any manner affiliated with, the operation of a garage subject to registration in this State.

3. As used in this section, “salvage vehicle” has the meaning ascribed to it in NRS 487.770.

Sec. 62. NRS 487.650 is hereby amended to read as follows:

487.650 1. The Department may refuse to issue a license or ~~after notice and hearing,~~ may suspend, revoke or refuse to renew a license to operate a body shop upon any of the following grounds:

(a) Failure of the applicant or licensee to have or maintain an established place of business in this State.

(b) Conviction of the applicant or licensee or an employee of the applicant or licensee of a felony, or of a misdemeanor or gross misdemeanor for a violation of a provision of this chapter.

(c) Any material misstatement in the application for the license.

(d) Willful failure of the applicant or licensee to comply with the motor vehicle laws of this State and NRS 487.035, 487.610 to 487.690, inclusive, or 597.480 to 597.590, inclusive.

(e) Failure or refusal by the licensee to pay or otherwise discharge any final judgment against him arising out of the operation of the body shop.

(f) Failure or refusal to provide to the Department an authorization for the disclosure of financial records for the business as required pursuant to subsection 2.

(g) A finding of guilt by a court of competent jurisdiction in a case involving a fraudulent inspection, purchase, sale or transfer of a



salvage vehicle by the applicant or licensee or an employee of the applicant or licensee.

(h) An improper, careless or negligent inspection of a salvage vehicle pursuant to NRS 487.800 by the applicant or licensee or an employee of the applicant or licensee.

(i) A false statement of material fact in a certification of a salvage vehicle pursuant to NRS 487.800 or a record regarding a salvage vehicle by the applicant or licensee or an employee of the applicant or licensee.

(j) A display of evidence of unfitness for a license pursuant to section 51 of this act.

2. Upon the receipt of any report or complaint alleging that an applicant or a licensee has engaged in financial misconduct or has failed to satisfy financial obligations related to the operation of a body shop, the Department may require the applicant or licensee to submit to the Department an authorization for the disclosure of financial records for the business as provided in NRS 239A.090. The Department may use any information obtained pursuant to such an authorization only to determine the suitability of the applicant or licensee for initial or continued licensure. Information obtained pursuant to such an authorization may be disclosed only to those employees of the Department who are authorized to issue a license to an applicant pursuant to NRS 487.610 to 487.690, inclusive, or to determine the suitability of an applicant or a licensee for such licensure.

3. As used in this section, "salvage vehicle" has the meaning ascribed to it in NRS 487.770.

Sec. 63. NRS 487.860 is hereby amended to read as follows:

487.860 1. Except with respect to a nonrepairable vehicle, a vehicle for which a salvage title has been issued may not subsequently be registered until it has been inspected by a garageman who operates a garage that is registered pursuant to NRS 487.560 , ~~or~~ by the owner of a body shop licensed pursuant to NRS 487.630 , *by a rebuilder licensed pursuant to NRS 482.325* or by ~~an~~ *a qualified* employee of such a garage , ~~or~~ body shop *or rebuilder*, and is certified to be in a safe mechanical condition and equipped with all safety equipment required by the manufacturer.

2. If a garageman ~~or~~ , *an* owner of a body shop ~~[-or-an]~~ *or a rebuilder, or a qualified* employee thereof, who performs an inspection pursuant to subsection 1 finds the vehicle to be in a safe mechanical condition and equipped with all safety equipment required by the manufacturer, the garageman, owner *of a body shop, rebuilder or qualified* employee shall complete and sign a certificate of inspection, on a form prescribed by the state agency, attesting to



the mechanical fitness and safety of the vehicle and to any mechanical or other work that was performed on the vehicle at the garage or body shop. The certificate of inspection must indicate that the motor vehicle has been repaired to the standards of the manufacturer and any safety equipment, including, without limitation, any occupant restraint devices, that were present in the vehicle at the time the vehicle was manufactured are present and operational to the specifications of the manufacturer.

Sec. 64. Chapter 108 of NRS is hereby amended by adding thereto the provisions set forth as sections 65 and 66 of this act.

Sec. 65. *Any person is guilty of a gross misdemeanor who knowingly:*

1. Makes or causes to be made a false entry on any affidavit of lien sale or on any lien sale registration certificate for a motor vehicle;

2. Makes or causes to be made a false entry on a certificate of title as to ownership or any security interest that may exist in a motor vehicle;

3. Fails to disclose any information which would indicate that a vehicle sold or offered for sale is or should be considered a salvage or nonrepairable vehicle; or

4. Falsifies or causes to be falsified an application or other document submitted to the Department of Motor Vehicles to obtain:

(a) A certificate of title or ownership; or

(b) A salvage title or a certificate which indicates that the vehicle is nonrepairable as defined in chapter 487 of NRS.

Sec. 66. *Except as otherwise provided in section 65 of this act, a person who violates any provision of NRS 108.265 to 108.360, inclusive, is guilty of a misdemeanor.*

Sec. 67. NRS 445B.775 is hereby amended to read as follows:

445B.775 The regulations adopted *by the Commission* pursuant to NRS 445B.770 must establish requirements by which the Department of Motor Vehicles may license:

1. Authorized inspection stations, including criteria by which any person may become qualified to inspect devices for the control of emissions for motor vehicles. The regulations adopted *by the Commission* pursuant to NRS 445B.770 must provide that a facility licensed as an authorized inspection station:

(a) Except as otherwise provided in paragraph (b), may not, unless specifically authorized by the Commission, install, repair, diagnose or adjust any component or system of a motor vehicle that affects exhaust emissions.



(b) May perform the following activities in connection with a motor vehicle:

- (1) The changing of oil;
- (2) The replacing of an oil filter, air filter, fuel filter, belt or hose; and
- (3) The servicing of a fuel injection system using methods approved by the Division of Environmental Protection of the State Department of Conservation and Natural Resources.

2. Authorized maintenance stations, including criteria by which any person may become qualified to install, repair and adjust devices for the control of emissions for motor vehicles.

3. Authorized stations, including criteria by which any person may become qualified to inspect, repair, adjust and install devices for the control of emissions for motor vehicles.

Sec. 68. NRS 445B.785 is hereby amended to read as follows:

445B.785 1. The Department of Motor Vehicles shall , *in cooperation with the Commission*, adopt regulations which:

(a) Prescribe requirements for licensing authorized inspection stations, authorized maintenance stations, authorized stations and fleet stations. The regulations adopted ~~[by the Department of Motor Vehicles]~~ pursuant to this paragraph must provide that a facility licensed as an authorized inspection station:

(1) Except as otherwise provided in subparagraph (2), may not, unless specifically authorized by the Commission, install, repair, diagnose or adjust any component or system of a motor vehicle that affects exhaust emissions.

(2) May perform the following activities in connection with a motor vehicle:

- (I) The changing of oil;
- (II) The replacing of an oil filter, air filter, fuel filter, belt or hose; and

(III) The servicing of a fuel injection system using methods approved by the Division of Environmental Protection of the State Department of Conservation and Natural Resources.

(b) Prescribe the manner in which authorized inspection stations, authorized stations and fleet stations inspect motor vehicles and issue evidence of compliance.

(c) Prescribe the diagnostic equipment necessary to perform the required inspection. The regulations must ensure that ~~[the]~~ :

(1) *The* equipment complies with any applicable standards of the United States Environmental Protection Agency ~~[]~~ ; *and*

(2) *Use of the equipment is specifically authorized by the Commission.*



(d) Provide for any fee, bond or insurance which is necessary to carry out the provisions of NRS 445B.700 to 445B.815, inclusive.

(e) Provide for the issuance of a pamphlet for distribution to owners of motor vehicles. The pamphlet must contain information explaining the reasons for and the methods of the inspections.

2. The Department of Motor Vehicles shall issue a copy of the regulations to each authorized inspection station, authorized maintenance station, authorized station and fleet station.

Sec. 69. NRS 445B.800 is hereby amended to read as follows:

445B.800 1. Subject to any applicable limitation of NRS 445B.700 to 445B.815, inclusive, and any regulation adopted pursuant thereto, no used motor vehicle which requires inspection pursuant to the regulations adopted by the Commission under NRS 445B.770 may be registered unless the application for registration is accompanied by evidence of compliance issued by any authorized inspection station, authorized station or fleet station certifying that the vehicle is equipped with devices for the control of pollution from motor vehicles required by federal regulation or such other requirements as the Commission may by regulation prescribe under the provisions of NRS 445B.700 to 445B.845, inclusive.

2. If:

(a) A seller of a used vehicle is required to complete a dealer's report of sale pursuant to the provisions of NRS 482.424; or

(b) A long-term lessor of a used vehicle is required to complete a long-term lessor's report of lease pursuant to the provisions of NRS 482.4245,

➔ the seller or long-term lessor shall also provide the buyer or long-term lessee with any evidence of compliance required pursuant to subsection 1 ~~§~~, *and shall deliver that evidence of compliance to a used vehicle buyer together with the dealer's report of sale issued pursuant to NRS 482.424 or 482.4245, indicating that the used vehicle purchased or leased meets the engine emission standards for the year, make and model of the used vehicle as established by regulation pursuant to NRS 445B.770.*

3. *A seller or long-term lessor of a used vehicle is not entitled to a waiver of the provisions of subsection 2.*

4. The requirements of this section apply only:

(a) To passenger cars and light-duty motor vehicles which use diesel fuel and are based in a county whose population is 100,000 or more; and

(b) In counties where a program of inspecting and testing motor vehicles and systems for the control of emissions from motor vehicles has been implemented pursuant to NRS 445B.770.

Sec. 70. NRS 482.321 is hereby repealed.



Sec. 71. Any license plate issued pursuant to NRS 482.321 expires on the date of expiration for that plate or January 1, 2008, whichever comes first and may not be renewed thereafter.

Sec. 72. 1. This section and sections 1 to 6, inclusive, 8 to 16, inclusive, 17, 20 to 23, inclusive, 26, 28 to 31, inclusive, 33 to 41, inclusive, and 43 to 69, inclusive, of this act become effective on July 1, 2007.

2. Sections 7, 16.5, 18, 19, 24, 25, 27, 42, 70 and 71 of this act become effective on January 1, 2008.

3. Sections 17 and 31 of this act expire by limitation on the date on which the provisions of 42 U.S.C. § 666 requiring each state to establish procedures under which the state has authority to withhold or suspend, or to restrict the use of professional, occupational and recreational licenses of persons who:

(a) Have failed to comply with a subpoena or warrant relating to a proceeding to determine the paternity of a child or to establish or enforce an obligation for the support of a child; or

(b) Are in arrears in the payment of the support of one or more children,

→ are repealed by the Congress of the United States.

4. Section 32 of this act becomes effective on the date on which the provisions of 42 U.S.C. § 666 requiring each state to establish procedures under which the state has authority to withhold or suspend, or to restrict the use of professional, occupational and recreational licenses of persons who:

(a) Have failed to comply with a subpoena or warrant relating to a proceeding to determine the paternity of a child or to establish or enforce an obligation for the support of a child; or

(b) Are in arrears in the payment for the support of one or more children,

→ are repealed by the Congress of the United States.

