

SENATE BILL NO. 312—SENATOR MATHEWS

MARCH 16, 2009

Referred to Committee on Energy, Infrastructure and Transportation

SUMMARY—Revises provisions governing uninsured motorists.
(BDR 43-286)

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

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EXPLANATION – Matter in **bolded italics** is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to motor vehicles; revising provisions relating to the verification of liability insurance for motor vehicles; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires that a motor vehicle which is registered in this State be covered by a policy of liability insurance. (NRS 485.185) The Department of Motor Vehicles maintains a database for verifying that owners of motor vehicles maintain liability insurance. (NRS 485.313)

The Department is required to verify monthly that each motor vehicle which is registered in the State is covered by a policy of liability insurance. If the Department determines that a motor vehicle is not covered by a policy of liability insurance, the Department must send a form for verification of liability insurance to the owner of the vehicle. This bill requires the owner to return the verification form to the Department within 15, rather than 20, days after the date on which the verification form was mailed to the owner by the Department. If the owner does not return the verification form to the Department within 15 days, this bill requires the Department to send, by certified mail, a notice that informs the owner that unless he submits a completed verification form to the Department within 10, rather than 15, days, the Department will suspend the vehicle registration. (NRS 485.317)

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

Section 1. NRS 485.317 is hereby amended to read as follows:
485.317 1. Subject to the limitations set forth in this subsection and subsection 2, the Department shall, at least monthly, compare the current registrations of motor vehicles to the



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1 information in the database created pursuant to NRS 485.313 to
2 verify that each motor vehicle:

3 (a) Which is newly registered in this State; or

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

6 ➤ is covered by a policy of liability insurance as required by NRS
7 485.185. In identifying a motor vehicle for verification pursuant to
8 this subsection, the Department may, if the motor vehicle was
9 manufactured during or after 1981, use only the last eight digits of
10 the vehicle identification number. In comparing the vehicle
11 identification number of a motor vehicle to the vehicle identification
12 number in a policy of liability insurance, to determine if the two
13 vehicle identification numbers match, the Department may find that
14 the two vehicle identification numbers match if no fewer than seven
15 of the last eight digits of the two vehicle identification numbers
16 match.

17 2. Except as otherwise provided in this subsection, the
18 Department may use any information to verify, pursuant to
19 subsection 1, whether the motor vehicle is covered by a policy of
20 liability insurance as required by NRS 485.185. The Department
21 may not use the name of the owner of a motor vehicle as the
22 primary means of verifying that a motor vehicle is covered by a
23 policy of liability insurance.

24 3. If, pursuant to subsection 1, the Department determines that
25 a motor vehicle is not covered by a policy of liability insurance as
26 required by NRS 485.185, the Department shall send a form for
27 verification by first-class mail to each registered owner that it
28 determines has not maintained the insurance required by NRS
29 485.185. The owner shall complete the form with all the information
30 which is requested by the Department, including whether he carries
31 an owner's or operator's policy of liability insurance or a certificate
32 of self-insurance, and return the completed form within ~~20~~ 15 days
33 after the date on which the form was mailed by the Department. If
34 the Department does not receive the completed form within ~~20~~ 15
35 days after it mailed the form to the owner, the Department shall send
36 to the owner a notice of suspension of registration by certified mail.
37 The notice must inform the owner that unless he submits a
38 completed form to the Department within ~~15~~ 10 days after the date
39 on which the notice was sent by the Department his registration will
40 be suspended pursuant to subsection 5. This subsection does not
41 prohibit an authorized agent of the owner from providing to the
42 Department:

43 (a) The information requested by the Department pursuant to
44 this subsection.



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

4. When the Department receives a completed form for verification, it shall verify the information on the form.

5. The Department shall suspend the registration and require the return to the Department of the license plates of any vehicle for which the form for verification set forth in subsection 3 is:

(a) Not returned to the Department by the registered owner or his authorized agent within the period specified in that subsection;

(b) Returned to the Department by the registered owner or his authorized agent and the Department is not able to verify the information on the form; or

(c) Returned by the registered owner or his authorized agent with an admission of having no insurance or without indicating an insurer or the number of a motor vehicle liability policy or a certificate of self-insurance.

6. If the Department suspends a registration pursuant to subsection 5 because:

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

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

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

(3) Presents evidence of current insurance; or

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

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

(2) Evidence of current insurance,

↳ the Department shall rescind its suspension of the registration if it is able to verify the information on the form or the other evidence presented. The Department shall not charge a fee to reinstate a registration, the suspension of which was rescinded pursuant to this subsection. For the purposes of this subsection, "justifiable cause" may include, but is not limited to, the fact that the owner did not receive the form mailed by the Department pursuant to subsection 3.



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7. Except as otherwise provided in subsections 8 and 9, if a registered owner whose registration is suspended pursuant to subsection 5, failed to have insurance on the date specified in the form for verification, the Department shall reinstate the registration of the vehicle and reissue the license plates only upon filing by the registered owner of evidence of current insurance and payment of the fee for reinstatement of registration prescribed in paragraph (a) of subsection 6 of NRS 482.480.

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

9. If the Department suspends the registration of a motor vehicle pursuant to subsection 5 because the registered owner of the motor vehicle failed to have insurance on the date specified in the form for verification, and if the registered owner, in accordance with regulations adopted by the Department, proves to the satisfaction of the Department that he was unable to comply with the provisions of NRS 485.185 on that date because of extenuating circumstances, the Department may:

(a) Reinstate the registration of the motor vehicle and reissue the license plates upon payment by the registered owner of a fee of \$50, which must be deposited in the Account for Verification of Insurance created by subsection 6 of NRS 482.480; or

(b) Rescind the suspension of the registration without the payment of a fee.

➤ The Department shall adopt regulations to carry out the provisions of this subsection.

10. For the purposes of verification of insurance by the Department pursuant to this section, a motor vehicle shall be deemed to be covered by liability insurance unless the motor vehicle is without coverage for a period of more than 7 days.

Sec. 2. This act becomes effective on July 1, 2009.

