

ASSEMBLY BILL NO. 14—COMMITTEE ON TRANSPORTATION

(ON BEHALF OF THE DEPARTMENT OF MOTOR VEHICLES)

PREFILED DECEMBER 19, 2012

Referred to Committee on Transportation

SUMMARY—Makes various changes relating to motor vehicles.
(BDR 43-369)

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 concerning temporary permits to act as a salesperson; revising provisions concerning licenses of salespersons; allowing the Department of Motor Vehicles to reinstate the registration of a dormant vehicle or remove the suspension of that registration under certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Under existing law, when a person holding a temporary permit to act as a
2 salesperson of vehicles ceases to be employed by a licensed and bonded dealer,
3 lessor or rebuilder, the permit is automatically suspended, the person's right to act
4 as a salesperson immediately ceases and the person's application for licensure must
5 be denied by the Department of Motor Vehicles unless the person has: (1) paid a
6 \$20 transfer fee; (2) submitted a certificate of employment indicating that the
7 person has been reemployed with a licensed and bonded dealer, lessor or rebuilder;
8 and (3) presents a current temporary permit or new salesperson's license to the
9 person's employer. Existing law further provides that, if a person's application for a
10 salesperson's license has been denied, the person must wait at least 6 months to
11 reapply. (NRS 482.362) **Section 1** of this bill deletes the provision requiring that
12 the application for licensure of a person holding a temporary permit be denied if
13 that person ceases to be employed as a salesperson by a licensed and bonded dealer,
14 lessor or rebuilder, thus allowing that person to resume the application process
15 upon finding employment elsewhere. **Section 1** also expressly prohibits the person
16 from engaging in the activity of a salesperson during the period in which the person
17 is unemployed. **Section 1** provides additionally that, if a person ceases to be
18 employed as a salesperson by a licensed and bonded dealer, lessor or rebuilder, the



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salesperson is not required to physically surrender his or her license, but the dealer, lessor or rebuilder, as applicable, is required to notify the Department that the employment has ceased, and the person is not allowed to engage in the activity of a salesperson until he or she is reemployed by a licensed and bonded dealer, lessor or rebuilder.

Under existing law, the Department is required to suspend the registration of any motor vehicle for which the Department cannot verify coverage of liability insurance. If the registered owner of the motor vehicle proves to the satisfaction of the Department that the motor vehicle was a dormant vehicle during the period in which the Department was unable to verify liability insurance coverage, the Department is required to reinstate the registration and, if applicable, reissue the license plates for the motor vehicle only after the owner of the motor vehicle pays a fee of \$50. (NRS 485.317) **Section 4** of this bill allows the Department to remove the suspension of the registration without requiring the owner of the vehicle to pay a fee or administrative fine.

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

Section 1. NRS 482.362 is hereby amended to read as follows:

482.362 1. A person shall not engage in the activity of a salesperson of vehicles, trailers or semitrailers, or act in the capacity of a salesperson 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 salesperson, 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 salesperson, his or her residence address and social security number, and the name and address of the applicant's 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 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 permit to an applicant who has submitted an application and paid the required fee.



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3. A license to act as a salesperson of vehicles, trailers or semitrailers, or to act in the capacity of a salesperson 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 salesperson's license may be denied and a salesperson'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 the applicant 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. Except where a dealer, lessor or rebuilder has multiple branches licensed under NRS 482.326, a salesperson of vehicles shall not engage in any sales activity, or act in any other capacity as a salesperson 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 salesperson's license has been denied, the applicant may reapply not less than 6 months after the denial.

7. A salesperson's license must be posted in a conspicuous place on the premises of the dealer, lessor or rebuilder ~~for whom~~ *who employs* the salesperson ~~is licensed~~ to sell vehicles. *If a licensed salesperson ceases to be employed by the dealer, lessor or rebuilder, the dealer, lessor or rebuilder, as applicable, shall surrender the salesperson's license to the salesperson by the end of the next business day after the employment ceases.*

8. If a licensed salesperson ceases to be employed by a licensed and bonded dealer, lessor or rebuilder ~~the license to act as a salesperson is automatically suspended and the right to act as a salesperson thereupon immediately ceases, and the~~ :

(a) The dealer, lessor or rebuilder shall submit a written notice of that fact to the Department within 10 days after the employment ceases; and



(b) *The person shall not engage in the activity of a salesperson until he or she has ~~paid the Department a transfer fee of \$20 and submitted a certificate of employment indicating he or she has~~ been reemployed by a licensed and bonded dealer, lessor or rebuilder . ~~† and has thereafter presented a current temporary permit or a new salesperson's license to the employer.~~ The dealer, lessor or rebuilder who reemploys the salesperson shall submit a written notice of that fact to the Department within 10 days after the employment commences.*

9. If a licensed salesperson changes his or her residential address, the salesperson 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 salesperson ceases to be employed by a licensed and bonded dealer, lessor or rebuilder ~~†, the permit to act as a salesperson is automatically suspended, the right to act as a salesperson thereupon immediately ceases and the person's application for licensure must be denied unless† :~~

(a) *The dealer, lessor or rebuilder shall submit a written notice of that fact to the Department within 10 days after the employment ceases; and*

(b) *The person shall not engage in the activity of a salesperson until he or she has ~~paid the Department a transfer fee of \$20 and submitted a certificate of employment indicating he or she has~~ been reemployed by a licensed and bonded dealer, lessor or rebuilder . ~~† and has thereafter presented a current temporary permit or a new salesperson's license to the employer.~~ The dealer, lessor or rebuilder who reemploys the salesperson shall submit a written notice of that fact to the Department within 10 days after the employment commences.*

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

~~—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. 2. NRS 482.480 is hereby amended to read as follows:

482.480 There must be paid to the Department for the registration or the transfer or reinstatement of the registration of motor vehicles, trailers and semitrailers, fees according to the following schedule:

1. Except as otherwise provided in this section, for each stock passenger car and each reconstructed or specially constructed



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1 passenger car registered to a person, regardless of weight or number
2 of passenger capacity, a fee for registration of \$33.

3 2. Except as otherwise provided in subsection 3:

4 (a) For each of the fifth and sixth such cars registered to a
5 person, a fee for registration of \$16.50.

6 (b) For each of the seventh and eighth such cars registered to a
7 person, a fee for registration of \$12.

8 (c) For each of the ninth or more such cars registered to a
9 person, a fee for registration of \$8.

10 3. The fees specified in subsection 2 do not apply:

11 (a) Unless the person registering the cars presents to the
12 Department at the time of registration the registrations of all the cars
13 registered to the person.

14 (b) To cars that are part of a fleet.

15 4. For every motorcycle, a fee for registration of \$33 and for
16 each motorcycle other than a trimobile, an additional fee of \$6 for
17 motorcycle safety. The additional fee must be deposited in the State
18 Highway Fund for credit to the Account for the Program for the
19 Education of Motorcycle Riders.

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

22 6. Except as otherwise provided in subsection ~~74~~ 6 of NRS
23 485.317, to reinstate the registration of a motor vehicle that is
24 suspended pursuant to that section:

25 (a) A fee as specified in NRS 482.557 for a registered owner
26 who failed to have insurance on the date specified by the
27 Department, which fee is in addition to any fine or penalty imposed
28 pursuant to NRS 482.557; or

29 (b) A fee of \$50 for a registered owner of a dormant vehicle who
30 cancelled the insurance coverage for that vehicle or allowed the
31 insurance coverage for that vehicle to expire without first cancelling
32 the registration for the vehicle in accordance with subsection 3 of
33 NRS 485.320,

34 ➔ both of which must be deposited in the Account for Verification
35 of Insurance which is hereby created in the State Highway Fund.
36 The money in the Account must be used to carry out the provisions
37 of NRS 485.313 to 485.318, inclusive.

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

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

41 9. For every low-speed vehicle, as that term is defined in NRS
42 484B.637, a fee for registration of \$33.

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



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Sec. 3. NRS 482.557 is hereby amended to read as follows:

482.557 1. Except as otherwise provided in subsection ~~7A~~ 6 of NRS 485.317, if a registered owner failed to have insurance on the date specified by the Department pursuant to NRS 485.317:

(a) For a first offense, the registered owner shall pay to the Department a registration reinstatement fee of \$250, and if the period during which insurance coverage lapsed was:

(1) At least 31 days but not more than 90 days, pay to the Department a fine of \$250.

(2) At least 91 days but not more than 180 days:

(I) Pay to the Department a fine of \$500; and

(II) File and maintain with the Department a certificate of financial responsibility for a period of not less than 3 years following the date on which the registration of the applicable vehicle is reinstated.

(3) More than 180 days:

(I) Pay to the Department a fine of \$1,000; and

(II) File and maintain with the Department a certificate of financial responsibility for a period of not less than 3 years following the date on which the registration of the applicable vehicle is reinstated.

(b) For a second offense, the registered owner shall pay to the Department a registration reinstatement fee of \$500, and if the period during which insurance coverage lapsed was:

(1) At least 31 days but not more than 90 days, pay to the Department a fine of \$500.

(2) At least 91 days but not more than 180 days:

(I) Pay to the Department a fine of \$500; and

(II) File and maintain with the Department a certificate of financial responsibility for a period of not less than 3 years following the date on which the registration of the applicable vehicle is reinstated.

(3) More than 180 days:

(I) Pay to the Department a fine of \$1,000; and

(II) File and maintain with the Department a certificate of financial responsibility for a period of not less than 3 years following the date on which the registration of the applicable vehicle is reinstated.

(c) For a third or subsequent offense:

(1) The driver's license of the registered owner must be suspended for a period to be determined by regulation of the Department but not less than 30 days;

(2) The registered owner shall file and maintain with the Department a certificate of financial responsibility for a period of



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1 not less than 3 years following the date on which the registration of
2 the applicable vehicle is reinstated; and

3 (3) The registered owner shall pay to the Department a
4 registration reinstatement fee of \$750, and if the period during
5 which insurance coverage lapsed was:

6 (I) At least 31 days but not more than 90 days, pay to the
7 Department a fine of \$500.

8 (II) At least 91 days but not more than 180 days, pay to
9 the Department a fine of \$750.

10 (III) More than 180 days, pay to the Department a fine of
11 \$1,000.

12 2. As used in this section, "certificate of financial
13 responsibility" has the meaning ascribed to it in NRS 485.028.

14 **Sec. 4.** NRS 485.317 is hereby amended to read as follows:

15 485.317 1. The Department shall verify that each motor
16 vehicle which is registered in this State is covered by a policy of
17 liability insurance as required by NRS 485.185.

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

24 3. If the Department is unable to verify that a motor vehicle is
25 covered by a policy of liability insurance as required by NRS
26 485.185, the Department shall send a request for information by
27 first-class mail to the registered owner of the motor vehicle. The
28 owner shall submit all the information which is requested to the
29 Department within 15 days after the date on which the request for
30 information was mailed by the Department. If the Department does
31 not receive the requested information within 15 days after it mailed
32 the request to the owner, the Department shall send to the owner a
33 notice of suspension of registration by certified mail. The notice
34 must inform the owner that unless the Department is able to verify
35 that the motor vehicle is covered by a policy of liability insurance as
36 required by NRS 485.185 within 10 days after the date on which the
37 notice was sent by the Department, the owner's registration will be
38 suspended pursuant to subsection 4.

39 4. The Department shall suspend the registration and require
40 the return to the Department of the license plates of any vehicle for
41 which the Department cannot verify the coverage of liability
42 insurance required by NRS 485.185.

43 5. Except as otherwise provided in subsection 6, the
44 Department shall reinstate the registration of the vehicle and reissue
45 the license plates only upon verification of current insurance and



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1 compliance with the requirements for reinstatement of registration
2 prescribed in paragraph (a) of subsection 6 of NRS 482.480.

3 ~~6. If a registered owner proves to the satisfaction of the~~
4 ~~Department that the vehicle was a dormant vehicle during the period~~
5 ~~in which the information provided pursuant to NRS 485.314~~
6 ~~indicated that there was no insurance for the vehicle, the Department~~
7 ~~shall reinstate the registration and, if applicable, reissue the license~~
8 ~~plates. If such an owner of a dormant vehicle failed to cancel the~~
9 ~~registration for the vehicle in accordance with subsection 3 of NRS~~
10 ~~485.320, the Department shall not reinstate the registration or~~
11 ~~reissue the license plates unless the owner pays the fee set forth in~~
12 ~~paragraph (b) of subsection 6 of NRS 482.480.~~

13 ~~7.~~ If the Department suspends the registration of a motor
14 vehicle pursuant to subsection 4 because the registered owner of the
15 motor vehicle failed to have insurance on the date specified in the
16 form for verification, and if the registered owner, in accordance with
17 regulations adopted by the Department, proves to the satisfaction of
18 the Department that the owner was unable to comply with the
19 provisions of NRS 485.185 on that date because of extenuating
20 circumstances ~~or~~ *or that the motor vehicle was a dormant vehicle*
21 *and the owner failed to cancel the registration in accordance with*
22 *subsection 3 of NRS 485.320*, the Department may:

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

27 (b) ~~Reinstate~~ *Remove* the suspension of the registration without
28 the payment of a fee ~~or~~ *or administrative fine*.

29 ➡ The Department shall adopt regulations to carry out the
30 provisions of this subsection.

31 **Sec. 5.** This act becomes effective upon passage and approval.

