

ASSEMBLY BILL NO. 37—COMMITTEE ON NATURAL
RESOURCES, AGRICULTURE, AND MINING

(ON BEHALF OF THE DEPARTMENT OF MOTOR VEHICLES)

PREFILED DECEMBER 20, 2014

Referred to Committee on Natural Resources,
Agriculture, and Mining

SUMMARY—Revises provisions governing consignment auctions
of motor vehicles. (BDR 40-379)

FISCAL NOTE: Effect on Local Government: Increases or Newly
Provides for a Term of Imprisonment in County or
City Jail or Detention Facility.
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 air pollution; revising provisions relating to the
sale of a motor vehicle at a consignment auction; limiting
the number of such auctions that may be conducted by a
consignee; providing a penalty; and providing other
matters properly relating thereto.

Legislative Counsel's Digest:

Existing law generally requires that a seller of a used motor vehicle provide the
buyer of the vehicle with evidence that the vehicle complies with certain emissions
standards for the purpose of registering the vehicle with the Department of Motor
Vehicles. (NRS 445B.800) Existing law exempts from this requirement a consignee
who is authorized to sell vehicles at a qualifying consignment auction if the vehicle
is sold on behalf of a registered owner, lienholder or insurance company and the
consignee, at the time of the auction, complies with certain notice requirements.
(NRS 445B.728, 445B.805, 445B.807) **Sections 2-12** of this bill provide that, for
the purpose of entrusting or authorizing a consignee to sell or display for sale a
motor vehicle at such an auction, the registered owner or lienholder may not be an
automobile wrecker, body shop, distributor, manufacturer, rebuilder, salvage pool,
vehicle dealer or garage. **Section 15** of this bill prohibits a consignee from
conducting more than two such auctions during any period of 12 consecutive
months.



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

Section 1. Chapter 445B of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 12, inclusive, of this act.

Sec. 2. *“Automobile wrecker” has the meaning ascribed to it in NRS 487.047.*

Sec. 3. *“Body shop” has the meaning ascribed to it in NRS 487.532.*

Sec. 4. *“Distributor” has the meaning ascribed to it in NRS 482.028.*

Sec. 5. *“Garage” has the meaning ascribed to it in NRS 487.540.*

Sec. 6. *“Licensee” means any automobile wrecker, body shop, distributor, manufacturer, rebuilder, salvage pool or vehicle dealer licensed by the Department, or any garage registered with the Department.*

Sec. 7. *“Lienholder” means any person, other than a licensee, who holds a lien on a motor vehicle.*

Sec. 8. *“Manufacturer” has the meaning ascribed to it in NRS 482.060.*

Sec. 9. *“Rebuilder” has the meaning ascribed to it in NRS 482.097.*

Sec. 10. *“Registered owner” means any person, other than a licensee, whose name appears in the records of the Department as the person to whom a vehicle is registered.*

Sec. 11. *“Salvage pool” has the meaning ascribed to it in NRS 487.400.*

Sec. 12. *“Vehicle dealer” has the meaning ascribed to it in NRS 482.020.*

Sec. 13. NRS 445B.700 is hereby amended to read as follows:
445B.700 As used in NRS 445B.700 to 445B.845, inclusive, *and sections 2 to 12, inclusive, of this act*, unless the context otherwise requires, the words and terms defined in NRS 445B.705 to 445B.758, inclusive, *and sections 2 to 12, inclusive, of this act* have the meanings ascribed to them in those sections.

Sec. 14. NRS 445B.759 is hereby amended to read as follows:
445B.759 1. The provisions of NRS 445B.700 to 445B.845, inclusive, *and sections 2 to 12, inclusive, of this act* do not apply to:

- (a) Military tactical vehicles; or
- (b) Replica vehicles.

2. As used in this section:

- (a) “Military tactical vehicle” means a motor vehicle that is:



(1) Owned or controlled by the United States Department of Defense or by a branch of the Armed Forces of the United States; and

(2) Used in combat, combat support, combat service support, tactical or relief operations, or training for such operations.

(b) "Replica vehicle" means any passenger car or light-duty motor vehicle which:

(1) Has a body manufactured after 1968 which is made to resemble a vehicle of a model manufactured before 1968;

(2) Has been altered from the original design of the manufacturer or has a body constructed from materials which are not original to the vehicle;

(3) Is maintained solely for occasional transportation, including exhibitions, club activities, parades, tours or other similar uses; and

(4) Is not used for daily transportation.

➤ The term does not include a vehicle which has been restored to its original design by replacing parts.

Sec. 15. NRS 445B.807 is hereby amended to read as follows:

445B.807 1. To qualify as a consignment auction for the purposes of subsection 4 of NRS 445B.805, an event must be:

(a) A live auction with an auctioneer verbally calling for and accepting bids; or

(b) An auction conducted on an auction website on the Internet by a person who is certified pursuant to subsection 2 and who is:

(1) A vehicle dealer licensed pursuant to NRS 482.325; or

(2) A salvage pool licensed pursuant to NRS 487.410.

2. A person may obtain certification for the purposes of paragraph (b) of subsection 1 by:

(a) Applying to the Department of Motor Vehicles;

(b) Providing evidence satisfactory to the Department that the person is licensed as a vehicle dealer pursuant to NRS 482.325 or as a salvage pool pursuant to NRS 487.410;

(c) Providing evidence satisfactory to the Department that at least 51 percent of the **motor** vehicles sold by the person in the calendar year immediately preceding the date of the person's application were sold on behalf of another person and were sold using:

(1) A live auction with an auctioneer verbally calling for and accepting bids; or

(2) An auction conducted on an auction website on the Internet by the person; and

(d) Providing any other information or documentation required by the Department.



3. *A consignee shall not conduct more than two consignment auctions pursuant to this section during any period of 12 consecutive months.*

4. The Department may adopt any regulations necessary to carry out the provisions of this section, including, without limitation, providing procedures for the application for and the granting of a certification pursuant to this section and providing for the expiration and renewal of the certification.

Sec. 16. NRS 445B.835 is hereby amended to read as follows:

445B.835 1. The Department of Motor Vehicles may impose an administrative fine, not to exceed \$2,500, for a violation of any provision of NRS 445B.700 to 445B.845, inclusive, *and sections 2 to 12, inclusive, 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 *for credit* to the ~~credit of the~~ Pollution Control Account.

3. In addition to any other remedy provided by NRS 445B.700 to 445B.845, inclusive, *and sections 2 to 12, inclusive, of this act*, the Department may compel compliance with any provision of NRS 445B.700 to 445B.845, inclusive, *and sections 2 to 12, inclusive, 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. 17. NRS 445B.840 is hereby amended to read as follows:

445B.840 It is unlawful for any person to:

1. Possess any unauthorized evidence of compliance;

2. Make, issue or use any imitation or counterfeit evidence of compliance;

3. Willfully and knowingly fail to comply with the provisions of NRS 445B.700 to 445B.815, inclusive, *and sections 2 to 12, inclusive, of this act*, or any regulation adopted by the Department of Motor Vehicles; or

4. Issue evidence of compliance if he or she is not a licensed inspector of an authorized inspection station, authorized station or fleet station.

Sec. 18. NRS 445B.845 is hereby amended to read as follows:

445B.845 1. A violation of any provision of NRS 445B.700 to 445B.845, inclusive, *and sections 2 to 12, inclusive, of this act* relating to motor vehicles, or any regulation adopted pursuant thereto relating to motor vehicles, is a misdemeanor. The provisions of NRS 445B.700 to 445B.845, inclusive, *and sections 2 to 12,*



1 *inclusive, of this act*, or any regulation adopted pursuant thereto,
2 must be enforced by any peace officer.

3 2. Satisfactory evidence that the motor vehicle or its equipment
4 conforms to those provisions or regulations, when supplied by the
5 owner of the motor vehicle to the Department of Motor Vehicles
6 within 10 days after the issuance of a citation pursuant to subsection
7 1, may be accepted by the court as a complete or partial mitigation
8 of the offense.

9 **Sec. 19.** This act becomes effective on July 1, 2015.

